Bora Pharmaceuticals

2025 Annual Report

Bora Pharmaceuticals Co., Ltd.

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The reader is advised that financial statements and internal control reports enclosed herein have been prepared originally in Chinese. In the event of a conflict between these statements and the original Chinese version or difference in interpretation between the two versions, the Chinese language financial statements shall prevail.

I. Name, title, telephone number and email of spokesperson and acting spokesperson:

Spokesperson		Acting Spokesperson	
Name:	Alice Wang	Name:	Nadiya Chen
Title:	Vice President, Finance & Accounting Division	Title:	Senior Investor Relationship Manager
Telephone:	(02)2790-1555	Telephone:	(02)2790-1555
Email:	public01@bora-corp.com	Email:	public01@bora-corp.com

II. Company address:

Head Office	A: 6F, No. 2, Alley 36, Lane 26, Ruiguang Road, Neihu District, Taipei City 114 P: (02)2790-1555
Research and Development Center	A: 4F, No. 41, Lane 221, Gangqian Road, Neihu District, Taipei City 114 P: (02)2657-3350
Manufacturing Plants	A: No.54, Gongye West Road, Gongtian District, Tainan City 720 (Tainan Site) P: (06) 698-5180 A: No.1, Kedong 3rd Road, Zhunan Township, Miaoli County, 350 (Zhunan Site) P: (03) 758-6268 A: 7333 MISSISSAUGA ROAD, MISSISSAUGA ON L5N 6L4 Canada (Mississauge Site) P: +1 (416) 800-2160 A: No. 3-1, Ziqiang 4th Rd., Fuxing Village, Zhongli Dist., Taoyuan City 320 (Zhongli Site (1st plant)) P: (03) 433-6438 A: No. 17, Dongyuan Rd., Zhongfu Village, Zhongli Dist., Taoyuan City 320 (Zhongli Site (2nd plant)) P: (03) 433-2596 A: No. 80, Sec. 1, Chang'an Rd., Luzhu Dist., Taoyuan City 320 (Taoyuan Site) P: (03) 321-5512 A: 1F, No. 356, Gongjian Rd., Neihu Dist., New Taipei City 221 (Sunway Xizhi Site) P: (02)2792-9568 A: 6701 Evenstad Drive, Maple Grove, MN 55369, USA (Maple Grove Site) P: +1(763)315-2000 A: 1111 South Paca Street, Baltimore, MD 21230, USA (Baltimore Site) P: +1(418)843-5000

III. Name, address, website and phone number of agency handling shares transfer:

Name: Stock-Affairs Agency Department, Taishin Securities Co., Ltd
Address: B1, No. 96, Jianguo North Road, Section 1, Zhongshan District, Taipei City 104
Website: http://www.tssco.com.tw Telephone: (02)2504-8125

IV. The name of the certified public accountant who duly audited the annual financial report for the most recent fiscal year, and the name, address and telephone: number of said person's accounting firm.

Name of certified public accountants: CPA Mink Hu CPA Jemmy Yao
Name of the accounting firm: Ernst & Young, Taiwan
Address: 11F., No. 189, Sec. 1, Yongfu Rd., Tainan City
Website: http://www.ey.com/tw/ Telephone: (06)292-5888

V. The name of any exchanges where the Company's securities are traded offshore, and the method of accessing the information: None.

VI. Company website: https://bora-corp.com/

Chapter A.
Letter to Shareholders

Bora Pharmaceuticals Co., Ltd.
2025 Business report

Dear Shareholders,

On behalf of the management team, I am pleased to present Bora Pharmaceuticals' 2025 Annual Report and share an overview of the Group's operating performance and strategic direction.

The past year was marked by significant shifts in the global economic and supply chain landscape, driven by evolving U.S. policy dynamics, rapid advances in artificial intelligence, and heightened geopolitical uncertainty. Across industries, companies strengthened their resilience to navigate this volatility and protect their long-term competitiveness

For Bora, these external forces coincided with an important phase in our development as an emerging CDMO platform integrating multiple acquisitions. We faced immediate challenges from currency fluctuations, tariff changes, and shifts in U.S. pharmaceutical pricing policies. Despite these headwinds, we remained firmly committed to our dual-engine strategy — CDMO and Pharma Sales (operated by Upsher-Smith) – and delivered close to NT$20 billion in revenue with sustained profitability. Importantly, without undertaking any new financing activities, we significantly improved operating cash flow and maintained a healthy cash position, reinforcing the strength of our strategic direction.

While the road ahead remains challenging, we will continue to execute with rigor, agility, and speed, steadily advancing our financial and operational objectives and demonstrating to the market the resilience and growth potential of our dual-engine model.

Advancing Value Transformation

Our core philosophy remains the creation of long-term value through disciplined transformation. In 2025, we advanced this commitment by refining our portfolio and strengthening the strategic focus of our key business units to better serve patients, partners, and the communities we touch.

We repositioned Upsher-Smith's generics business toward U.S. specialty distribution channels and rare disease therapies, with early traction in building a pediatric neurology portfolio. This move goes beyond financial optimization; it marks a deliberate yet thoughtful evolution of a century-old brand as it continues to grow with the market and expand into areas of greater clinical impact.

In parallel, and in response to the U.S. manufacturing reshoring trend, we separated the Maple Grove facility from Upsher-Smith to operate as an independent CDMO site. This clearer supply-chain specialization strengthens our ability to collaborate with multinational pharmaceutical partners. These efforts have already yielded results: earlier this year, Bora secured a five-year CDMO contract renewal with GSK, expanding supply beyond the original Canada site to multiple Bora sites across different dosage forms. This milestone underscores Bora's growing capability as a global partner supporting cross-regional supply-chain resilience and marks a new chapter in our expanding collaboration with GSK.

Execution as Competitive Advantage

Reflecting on 2025, Bora has solidified its position as a trusted outsourcing partner in pharmaceutical commercialization, recognized internationally for consistent execution discipline and uncompromising quality.

Our cross-disciplinary adoption of new technologies has reinforced a clear conclusion: in the next era of biopharmaceutical manufacturing, competitive advantage will depend not only on innovation, but on the reliability of execution. In the coming year, we will strategically invest in AI initiatives, leveraging our accumulated operational data to optimize manufacturing efficiency and strengthen Bora's role as a dependable global CDMO platform with the courage to innovate and the discipline to deliver.

Strengthening Global Capital Market Presence and ESG Commitment

In the capital markets, Bora achieved a significant milestone by becoming the first Taiwanese company to launch a U.S. Level 1 ADR program. This accomplishment reflects our commitment to financial transparency and positions Bora more prominently within global capital markets. Beyond enhancing shareholder liquidity and information disclosure, the ADR program represents a critical step toward becoming a truly global pharmaceutical group with a broader, more engaged investor base.

We also advanced our sustainability agenda across Environmental (E), Social (S), and Governance (G) dimensions. In 2025, all manufacturing sites established net-zero targets for the first time, and selected sites initiated plans to adopt Science Based Targets initiative (SBTi) standards.

On the social front, we continued to invest in community engagement and advocacy. Upsher-Smith supported the TSC Alliance to raise awareness of pediatric neurological diseases. The Bora Wei-En Sheng Foundation launched mental health and educational programs for adolescents, and our long-standing partnership with Red Nose Doctors continued to bring emotional support to children with rare diseases and their families.

We believe that medicine is only the beginning. Even when treatment meets patients' medical needs, patients and families still face emotional, social, and practical challenges that require understanding and support. Through the collective strength of our global workforce,

we are committed to contributing meaningfully to global health and to standing with the communities we serve.

Looking Ahead

Geopolitical forces continue to reshape regional economic structures, creating a "new normal" defined by persistent volatility. While these fluctuations will continue to influence the biopharmaceutical industry, we expect downstream demand to gradually stabilize and for more favorable industry conditions will emerge over time.

Throughout 2025, Bora pursued a disciplined integration and transformation strategy to establish a solid foundation for sustainable growth. As we move forward, we will continue to rely on the unity, dedication, and professionalism of our global team as we advance toward becoming a globally recognized CDMO platform and deliver long-term value for our shareholders with confidence, purpose, and momentum.

On behalf of the Board and management team, I thank you for your continued trust and support.

I. Operational Highlights of 2025

(I) Progress Report

Bora Group continued its trajectory of steady growth across both its CDMO and commercial businesses. In fiscal year 2025, consolidated revenue reached NT$19.01 billion, representing a 9.11% increase from NT$17.42 billion in the previous year. Net income attributable to the parent company is NT$2.98 billion, a 22.61% year-over-year decrease from NT$3.85 billion. This decrease is mainly due to the operational restructuring and generic product portfolio optimization.

(II) Budget Execution

The company did not disclose financial forecasts for fiscal year 2024; therefore, there are no budget achievement comparisons available.

(III) Financial revenue and expenditure, and analysis on profitability

Unit: NT$ thousand

Item \ Year		2024	2025	Increase (decrease)%
Financial	Net operating revenues	17,426,624	19,014,169	9.11
	Gross profit	7,790,536	7,852,717	0.8
	Net profit after tax	3,852,515	2,981,311	118
Analysis on profitability	Return on asset	11.99%	7.47%	(22.61)
	Return on stockholder's equity	35.24%	21.17%	(37.73)
	As % of the paid-in capital: Operating profit to paid-in-capital	360%	259%	(39.92)
	As % of the paid-in capital: Profit before tax to paid-in-capital	481%	414%	(28.11)
	Net profit rate (%)	20	16	(23.39)
	EPS	31.54	23.90	(24.22)

(IV) Research and Development

In 2025, Bora Group's CDMO business continued to make big strides, adding 24 new molecules and 117 new launches, and X[TF2.1] new customers signed MSA. Our manufacturing sites remain integrated and aligned to support the commercialization of U.S. market-bound products within the group.

For the pharma sales, the promotion on the patent protected rare disease drug VIGAFYDE™ and the optimization of product portfolio aim to unlock the future growth potential and increase the overall profitability. In 2025, the Company's 100% owned subsidiary TWi Pharmaceutical has received US FDA's approval for Cyclosporine Ophthalmic Emulsion, an ophthalmic drug for patients with dry eye syndrome. We will continue to focus on and concentrate on high-value R&D projects by integrating group resources.

(V) Corporate Social Responsibility and Industry Recognition

At Bora, we believe that it is our mission to contribute to better health all over the world. In the pursuit of combating diseases and alleviating suffering, we find deeper meaning in our business. We take great pride in the impact of our work and remain committed to delivering meaningful change in patients' lives through rigorous manufacturing standards, stringent quality control, and the highest ethical principles. Rooted in Taiwan and expanding globally, we embrace our corporate responsibility by aligning our core values with our competitive strengths. We are dedicated to sustainable, profitable growth, striving to make medicines made-by-Bora recognized worldwide.

In 2025, we stood out from global CDMO competitors and were awarded as the best new or transforming CDMO company in the Outsourced Pharma Leadership Awards. We are the first Taiwanese pharmaceutical company to win this award in its 14-year history. In addition, we also won the "Overall Biotech Company of the Year" award in the Biotech Breakthrough Awards. Our continuous practice of sustainable development has been recognized by the World Finance Sustainability Award. Last year, we won the "Most Representative M&A Award" and the "M&A Award for Mid-sized Enterprises" in the most authoritative M&A awards in Taiwan. This fully demonstrates our outstanding achievements in M&A strategy and global market layout.

II. 2025 Business Plan

(I) Business Strategy

Continuous Integration of portfolio, technology platform, geography offerings and organizations to accelerate growth in 2025

Following its successful expansion into the US market in 2024, Bora adopted a robust "value transformation" strategy in 2025 in response to the new Trump administration. In response to international exchange rate fluctuations, it established Bora Global Ltd. in the British Virgin Islands to create a group-wide currency hedging mechanism. To unleash capital potential, optimize its pharmaceutical profit mix and internal specialization, it rapidly conducted post-acquisition restructuring. By introducing new AI technologies, it aims to build a more reliable and efficient business environment for the life sciences industry, thus initiating a new phase of growth in 2026.

(II) Expected Sales Volume and Its Basis

The company's sales plan is formulated based on contract agreements, historical sales records, and market dynamics. For fiscal year 2025, we anticipate steady growth in our revenue targets.

(III) Key Production and Sales Strategies

1. International Contract Development and Manufacturing (CDMO) Services

Bora's CDMO business primarily focuses on contract manufacturing for leading global pharmaceutical companies. Our CDMO facilities are certified by regulatory authorities across the U.S., U.K., EU, and Japan, ensuring high-quality operations cross offerings. Our capabilities includes nasal sprays, oral solid dosage forms, liquid formulations, topical semi-solid preparations, and aseptic fill-formulations, topical finish products. Following the integration formulations, topical of our U.S. sterile injectable facility last year formulations, topical and the strategic alliance with Tanvex, formulations, topical Bora has expanded both its formulation formulations, topical capabilities (Scope) and large-scale formulations, topical manufacturing capacity (Scale). This enables formulations, topical us to efficiently serve and address the needs formulations, topical of customers in North America—the world's largest pharmaceutical market—by providing localized production and end-to-end CDMO solutions. We remain committed to strengthening our technological capabilities through strategic investments in equipment upgrades and cutting-edge innovations. Leveraging our established technology platform, Bora will continue to drive growth momentum and create long-term value for our customers.

2. Strategic Partnerships (In-Licensing & Out-Licensing)

Bora Group is committed to long-term, mutually beneficial partnerships with international pharmaceutical companies through strategic collaborations. Our success is driven by our ability to identify and secure high-value in-licensing and out-licensing opportunities. In recent years, Bora has actively pursued the acquisition and in-licensing of established, commercially viable products as well as high-growth potential pipeline assets —both domestically and internationally. We expect to continue to expand our global footprint and market penetration.

3. Globalized Pharmaceutical Commercialization Services

Bora's state-of-the-art laboratories ensures seamless analytical integration with global industry standards. Our R&D team brings deep expertise in development of generics, new dosage forms, and regulatory compliance. With a comprehensive understanding of international pharmaceutical regulations and global market trends, Bora is a trusted partner for multinational pharmaceutical companies. We provide end-to-end support in cross-border drug development, regulatory submissions, and market entry strategies, maximizing the success of our partners in achieving swift and efficient commercialization.

III. Future Corporate Development Strategy

(I) Leveraging data computing power to establish a one-stop service capability for outsourcing the entire process from preclinical to commercial mass production

The Group has nine production site worldwide, with a total annual production of 2.5 billion doses. The number of overseas employees have exceed the number of domestic employees. In addition, the subsidiary TWi Pharmaceuticals, possesses high-barrier-to-entry drug R&D technology and has successfully commercialized specialty generic drugs and 505B2 new dosage forms with high market potential, along with strong US know-how on pharmaceutical regulations, market competition and technology analysis, and strong market competitiveness. With the North American market as its base, it has a full international competitive advantage. In addition, the CDMO has accumulated a ample database and will strategically invest in AI projects this year. By leveraging its past strengths in execution, it will be able to assist more clients from preclinical development to quality manufacturing, using computing power to reduce decision-making risks for clients. The global cross-regional production base layout can provide clients with cross-regional launch services, which will build a closer partnership business model , enhance Bora's industrial competitiveness and expand subsequent economic benefits.

(II) Establish a CDMO Platform with Comprehensive Technologies and Offerings to Cover Diverse Dosage Forms

From Baltimore site to Canada site, Bora incorporates multiple production facilities to support a broad spectrum of dosage forms, including tablets, oral liquids, nasal sprays, and semi-solid formulations such as gels, creams, and ointments, we have strengthened our capacity to provide end-to-end CDMO services in North America. Additionally, in Taiwan, our Tainan, Zhunan, Zhongli, Taoyuan sites and Tanvex offer a diverse range of formulation lines to meet the evolving needs of global clients. As one of Taiwan's largest pharmaceutical manufacturers, Bora has established a fully integrated CDMO network that covers major international markets, enabling seamless, time-zone-aligned CDMO services. To further solidify our position as a leading global CDMO, Bora will continue vertical and horizontal integrations, invest in cutting-edge technologies, and expand both formulation capabilities (Scope) and large-scale production capacity (Scale) to enhance our competitiveness in the international pharmaceutical market.

(III) Expanding Global Services with Taiwan as a Strategic Hub

The global pharmaceutical industry is on a steady growth trajectory, yet Taiwan's pharmaceutical sector faces structural challenges, including a oversaturated domestic market, rigid national health insurance pricing policies, and intense low-cost competition. Transitioning into a truly globalized pharmaceutical company remains a challenge for many Taiwan-based manufacturers. Bora is committed to overcoming these barriers by adopting a synergistic M&A strategy, ensuring that 1+1 is greater than 2 in every acquisition. With the successful establishment of our CDMO facility in the U.S. and high-value specialty drug distribution channels, we have strengthened our international competitiveness and established a foothold in U.S. local manufacturing policies and pharmaceutical supply chains. As global manufacturing policies and trade regulations continue to evolve, Bora will leverage its experience and competitive advantages to facilitate greater international expansion for Taiwan-based pharmaceutical companies. By connecting Taiwanese manufacturers with global markets, we aim to enhance Taiwan's presence in the international pharmaceutical industry and contribute to the sector's long-term global success.

IV. Impact of External Competitive, Regulatory, and Macroeconomic Factors

The global pharmaceutical industry is shaped by several key factors influencing supply, demand, and long-term market growth:

(I) The Acceleration of Global Aging Trends

According to United Nations, the global population is expected to reach 9.15 billion by 2050, with 16% aged 65 and above. This demographic shift will drive increased demand for medications targeting age-related and chronic diseases, expanding the market for specialized treatments.

(II) Continued Steady Growth in the Global Pharmaceutical Market

As reported by IQVIA, the global pharmaceutical market reached $1.75 trillion in 2024, reflecting a 8.89% increase from $1.6 trillion in 2023. The pharmaceutical industry is expected to grow at a compound annual growth rate (CAGR) of 7.5% from 2025 to 2029. In the generics sector, governments worldwide continue to promote affordable, high-quality generics as a strategy to reduce healthcare costs and restore fiscal balance. The combination of rising aging populations, economic uncertainties in Western markets, and cost-containment policies has reinforced government initiatives to increase adoption of generics over high-cost branded medications. In accordance tp Precedemce Research's report, the global generic drug market was approximately US$464.98 billion in 2023 and is projected to reach US$776.78 billion by 2033, with a compound annual growth rate (CAGR) of 5.2%. North America is the largest market for generic drugs, accounting for approximately 34.69%, and its future growth rate is projected to reach 8%.

To align with market changes and evolving demand, Bora group will pivot toward capitalizing on selective portfolio composed of high-performing products but at the same time diversifying end markets and sales footprint to ensure growth.

Bora continues to pursue accretive M&A opportunities, targeting high-growth sectors in and for the right market. With in-house, captive manufacturing facilities, a dedicated sales network, and extensive post-merger integration experience, we are well-positioned to transition acquired portfolio into in-house production, and hence to improve overall margin profile, time-to-market, and utilization rate and supply chain resilience. Furthermore, high-quality standards and ramp up capability of commercial operations, enabling seamless market expansion and broader distribution reach. We firmly believe that our dual-engine strategy—CDMO and commercial—generates abundant synergy, reinforcing Bora's competitive edge in M&A execution and long-term market leadership.

Person in charge:	Managerial Personnel:	Chief Accountant:
Sheng Pao-Shi	**Sheng Pao-Shi**	**Ting Chen**

Chapter B.
Corporate Governance Report

I. Information on Directors, Independent Directors, President, Executive Vice Presidents, Senior Managers, Department and Branch Managers

(I) Directors and Indendent Directors' information:

April 11, 2026; Unit: shares; %

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appoint ment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding			Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage		Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relat ions	
Chairperson	Republic of China	Sheng Pao-Shi	Male 46-55	June 6, 2023	3 years	August 26, 2014	4,123,996	5.31	6,398,353	5.00		–	–	25,582,842	19.99	Bachelor of Economics, University of California, Berkeley President, Ho An Pharmaceuticals Ltd.	President of the Company Chairperson, Union Chemical & Pharmaceutical Co., Ltd. Director, Well Pool Co., Ltd. Chairperson, Baolei Co., Ltd. Chairperson, Rui Bao Xin Investment Co. Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Chairperson, Bora Health Inc. Chairperson, Bora Pharmaceutical Laboratories Inc. Chairperson, Po En International Co., Ltd. Chairperson, Chia Shi International Co., Ltd. Independent Director, Advanced Power Electronics Corp., Ltd Representative of Institutional Director, BIONET Therapeutics Corp. Director, Jesper Co., Ltd. Chairperson, Bora Management Consulting Co., Ltd. Chairman, Bora Pharmaceuticals Ophthalmic Inc. Chairman, TWi Pharmaceuticals, Inc. Chairman, Bora Pharmaceutical and Consumer Health Inc. Chairman, SunWay Biotech Co., Ltd. Chairman, Tanvex BioPharma Inc. Representative of Institutional Director, Wonders Company Ltd. Director, Libo Pharma Corp. Person in Charge, Bora Pharmaceuticals USA Inc. Person in Charge, Bora Pharmaceutical Services Inc. Person in Charge, TWi Pharmaceuticals USA, Inc. Person in Charge, Bora Pharmaceutical Holdings, LLC. Person in Charge, Upsher-Smith Laboratories, LLC Person in Charge, Bora Pharmaceuticals Injectables Inc. Person in Charge, Bora Pharmaceuticals Inc. Person in Charge, Pyros Pharmaceuticals Inc.	–	–	–	Note 1

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding			Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage		Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Directors	Republic of China	Ta Ya Venture Capital Co., Ltd.	–	June 6, 2023	3 years	August 26, 2014	3,158,515	4.07	4,482,745	3.50		–	–	–	–	–	Director, Bora Pharmaceutical and Consumer Health Inc. Director, Inaday's Biotech Co., Ltd. Supervisor, Ta Ya Green Energy Technology Co., Ltd. Director, Hengs Technology Co., Ltd. Supervisor, Hua Yuan Culture Industry Co, Ltd. Supervisor, Vsense Medtech Co., Ltd. Director, Nownews Network Co., Ltd. Director, Super Media Co., Ltd. Director, Savitech Corp. Supervisor, United Electric Industry Co., Ltd. Director, TenArt Bio. Tech. Director, Istaging corp. Director, Nuazure Innovative Technology Co., Ltd.	–	–	–	–
	Republic of China	Representative: Shen Shang-Hung (Note 2)	Male 66-75	June 6, 2023	3 years	August 26, 2014	–	–	–	–		1,028	0.00	–	–	Department of Electrical Engineering, National Taiwan University MBA, EMORY University, USA Manager, Department of Electronic Engineering, AT&T, USA	Note 2	–	–	–	–
Directors	Republic of China	Baolei Co. Ltd.	–	June 6, 2023	3 years	June 11, 2019	14,400,561	18.54	22,442,026	17.53		–	–	–	–	–	–	–	–	–	–
	Republic of China	Representative: Chen Kuan-Pai	Male 46-55	June 6, 2023	3 years	June 11, 2019	–	–	–	–		–	–	1,415,753	1.11	MBA, University of Souther California Chairperson, Hundred River International Investment Corp.	Chairperson, Hundred River International Investment Corp. Independent Director, Gamania Digital Technology Co., Ltd. Independent Director, Mercuries Data Systems Ltd.	–	–	–	–
Independent Director	Republic of China	Lin Jui-I	Male 46-55	June 6, 2023	3 years	April 9, 2015	–	–	–	–		–	–	–	–	MBA, George Washington University President, Shung Ye Trading Co., Ltd.	Chairman, Startrii Co., Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Director, Shung Ye Investment Co., Ltd. Director, Shung Ye Trading Co., Ltd. Director, Yue Ye Motors Corporation Director, Jin Yi Investment Co., Ltd. Director, Golden Stout Industry Co., Ltd. Representative of Institutional Director, Shung Ye Property Insurance Agency Director, Lien Chen Automotive Co., Ltd. Director, An De Shun Enterprise Co., Ltd. Director, Zhao An Investment Co., Ltd. Director, Bai Yi Feng Capital Co., Ltd. Representative of Institutional Supervisor, Joe's Pizza Taiwan Co., Ltd.	–	–	–	–

Title	Nationality or Place of Registration	Name	Gender Age	Election (Appointment) Date	Term of Office	Date of First Appointment	Number of Shares Held at Time of Appointment		Current Shareholding			Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in the Company and Other Companies	Managers, Directors, or Supervisors who are Spouses or Relatives within the Second Degree of Kinship			Notes
							Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage		Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Independent Director	Republic of China	Lai Ming-Jung	Male 46-55	June 6, 2023	3 years	June 20, 2017	–	–	–	–		–	–	–	–	High-End Finance Class, MBA, National Chengchi University Executive Director, Management and Consulting Department, Ernst & Young Global Limited Executive Director, Audit Department, Ernst & Young Global Limited Independent Director, China Life Insurance Co., Ltd. (now known as KGI Life Insurance Co., Ltd.)	Regular Part-time Lecturer, Taiwan Insurance Institute	–	–	–	–
Independent Director	Republic of China	Li Yi-Chin	Male 56-65	June 6, 2023	3 years	June 20, 2017	–	–	–	–		28,281	0.02	–	–	PhD, Graduate Institute of Resource Planning and Management, Department of Civil Engineering, Stanford University, USA Senior Consultant, McKinsey & Co. Senior Consultant, Booz Allen Hamilton, USA Director and CEO, Giga Media, Singapore	Partner, FCC Partners Inc. Independent Director, Allied Industrial Corp., Ltd. Supervisor, Pacific Electric Wire and Cable Co., Ltd. Supervisor, Athena Capital Management Supervisor, Athena Capital Director, Lien Da Hang Co., Ltd.	–	–	–	–
Independent Director	Republic of China	Lin Hsin-I	Female 36-45	June 6, 2023	3 years	June 6, 2023	–	–	–	–		–	–	–	–	Master of Law, Columbia University, USA	Partner Attorney-at Law, LexPro Attorneys-at Law	–	–	–	–

Note 1: The Chairman and the President of the Company are the same person. This arrangement is primarily due to the Company's active business expansion involving mergers, acquisitions, and integration of internal and external resources. To facilitate business operations and enable timely and effective communication with the Board of Directors, the Chairman also serves as the President. This allows for seizing opportunities promptly and facilitating resource coordination, which is both reasonable and necessary. Currently, the Company has eight Directors, including four independent Directors, and more than half of the Directors do not serve as employees or managers, which should comply with corporate governance regulations. In the future, the Company will make appropriate adjustments based on operational conditions and regulatory changes.
Bora Pharmaceuticals officially took over the operational management of Upsher-Smith Laboratories, LLC on April 1, 2024, and the Chairman of the Company serves as the responsible person for Upsher-Smith and other US companies.

Note 2: Chief Executive Officer of Ta Ya Electric Wire & Cable Co., Ltd., Chairman of Cuprime Material Co., Ltd., Chairman of United Electric Industry Co., Ltd., Chairman of Ta Ya Venture Capital, Chairman of Ta Ya Innovation Investment Co., Ltd., Director of Ta Ya (China) Holding Ltd., Director of Ta Ya Venture Holdings Ltd., Chairman of Heng Ya Electric Ltd., Director of Heng Ya Electric Ltd. (Dongguan), Director of Ta Ya (Zhangzhou) Electric Wire & Cable Co., Ltd., Director of Ta Ya (Vietnam) Investment Holding Ltd., Director of Ta Ya (Vietnam) Electric Wire & Cable, Supervisor of Ta Ho Engineering Co., Ltd., Chairman of Cugreen Metal Tech. Co., Ltd., Director of Ta Yi Plastic (H.K.) Ltd., Director of Plastic Technology Investment Holding Ltd., Chairman of Cuprime Electric Wire & Cable (H.K.) Co., Ltd., Director of Ta Ya Vietnam (Cayman) Holdings Ltd., Director of Cuprime Material Pte. Ltd., Director of Cuprime Venture Holding Co., Ltd., Director of Cuprime Investment Holding Company Limited, Director of Lucky Max Capital Investment Limited, Chairman of Ta Ya Green Energy Technology Co., Ltd., Chairman of Bosi Solar Energy Co., Ltd., Chairman of Touch Solar Power Co., Ltd., Chairman of Bravo Solar Power Co., Ltd., Chairman of Sin Jhong Electric Co., Ltd., Chairman of Bo Yao Power Co., Ltd., Chairman of Jhih-Guang Energy Co., Ltd., Chairman of Bo-Jin Energy Co., Ltd., Chairman of Ta Ya Energy Storage Technology Co., Ltd., Chairman of Bo Feng Energy Storage Co., Ltd., Chairman of Bo Sheng Energy Storage Co., Ltd., Chairman of Infinity Energy Storage Technology Co., Ltd., Chairman of Union Storage Energy System Ltd., Chairman of Ta Ya Genesis Capital Co., Ltd., Chairman of Jiashan Investment Holding Co., Ltd., Chairman of JIA HSI Investment Holding Co., Ltd., Director of Jung Shing Wire Co., Ltd., Director of Theia Medical Technology Co., Ltd., Director of Iridium Medical Technology Co., Ltd., Director of Bigbest Solutions, InC., Independent Director of Mercuries Data Systems Ltd., Independent Director of Asia Polymer Corporation, Independent Director of Partner Tech. Corp., Director of AcroCyte Therapeutics, Director of Darjiun Venture Corporation, Director of T-E Pharma Holding, Director of Able Max Capital Investment Limited, Chairman of TA YA Geothermal Technology Co., Ltd., Chairman of Da Shih Energy Co., Ltd., Director of United Aluminum Technology Co., Ltd., Supervisor of Taiwan Consulting Group.

Major Shareholders of Corporate Shareholders' Representatives

April 11, 2026

Institutional Shareholder Name	Major Shareholders of the Institutional Shareholder	Shareholding Percentage %
Ta Ya Venture Capital Co., Ltd.	Ta Ya Electric Wire and Cable Co., Ltd.	96.87
	CUPRIME MATERIAL PTE. LTD.	3.13

April 11, 2026

Institutional Shareholder Name	Major Shareholders of the Institutional Shareholder	Shareholding Percentage %
Baolei Co., Ltd.	Sheng Pao-Shi	38.23

Major Shareholders of Institutional Shareholders That Are Legal Entities

April 11, 2026

Legal Entity Name	Major Shareholders of the Legal Entity	
	Shareholders	Shareholding Percentage %
Ta Ya Electric Wire and Cable Co., Ltd.	Shen Shang-I	2.40
	JIA HSI INVESTMENT HOLDING CO., LTD.	1.78
	Shen Shang-Hwei	1.57
	Wang Wen-Hua	1.55
	Shen Shang-Ban	1.25
	HSBC(Taiwan) Custodial Account	1.03
	JPMorgan Chase Bank Taipei Branch Custodian Vanguard Stock Index Account	0.29
	Jiashan Investment Holding Co., Ltd.	0.87
	Shen Shang-Hung	0.81
	JP Morgan Chase Bank Custodian STAR FTSE Advanced All-Country World Index	0.75

Legal Entity Name	Major Shareholders of the Legal Entity	
	Shareholders	Shareholding Percentage %
CUPRIME MATERIAL PTE. LTD.	Ta Ya Electric Wire and Cable Co., Ltd.	54.01
	Shen Chia-Jung	3.12
	Shen Shang-Hwei	3.02
	Wang Wen-Hua	3.01
	Shen Shang-I	2.99
	Shen Shang-Ban	2.15
	Shen Shang-Hung	1.54
	Tsai I-Chiu	1.47
	Representative of Chia Mao Investment Co., Ltd.: Lu Chia Hui	1.34
	Sheng, Su-Hsiang	1.21

Professional qualification and independence of the Directors and Independent Directors

Criteria / Name	Professional qualifications and working experience	Compliance of independence	Number of companies the person concurrently serves as an independent Director
Sheng Pao-Shi	For Director's professional qualifications and working Experience, please refer to "C. Corporate Governance Report, II. Information regarding Directors, Supervisors, General Manager, Vice Presidents, Division Directors, and Heads of Departments and Subsidiaries (page 14-24)". None of the circumstances in the subparagraph of Article 30 of the Company Act applies. (Note 1)	The Directors do not have a spouse or second-degree relative relationship between seats.	2
TA YA Venture Capital Co., Ltd. Representative: Shen Shang-Hung			3
Baolei Co., Ltd. Representative: Chen Kuan-Pai		All independent Director complies with the following: 1. Comply with the Article 14-2 of the Security Exchange Act issued by Financial Supervisory Commision and Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies (Note 2) 2. The person (including using others' names), his/her spouse, minor children, does not have more than 1% of the total number of outstanding shares. 3. Did not provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company provider in the past 2 years and receive any interest.	2
Lin Jui-Yi			1
Lai Ming-Jung			0
Lee Yi-Chin			1
Lin Hsin-Yi			0

Note 1: (1) Having committed an offence as specified in the Statute for Prevention of Organizational Crimes and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or five years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
(2) Having committed the offence in terms of fraud, breach of trust or misappropriation and subsequently convicted with imprisonment for a term of more than one year, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
(3) Having committed the offense as specified in the Anti-corruption Act and subsequently convicted of a crime, and has not started serving the sentence, has not completed serving the sentence, or two years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
(4) Having been adjudicated bankrupt or adjudicated of the commencement of liquidation process by a court, and having not been reinstated to his rights and privileges;
(5) Having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet; or
(6) Having no or only limited disposing capacity.
(7) Having been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet.

Note 2: (1) Not a government agency, a juristic person, or a representatives mentioned in Article 27 of the Company Act.
(2) Number of companies the person concurrently serves as an independent Director does not exceed 3.
(3) No following condition exist for any Director or supervisor two fiscal years before being elected to the office or during the term of office.
(a) Not employed by the Company or any of its affiliates.
(b) Not serving as a Director or supervisor of any of the Company's affiliated companies (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).
(c) Not a natural-person shareholder whose shareholding, together with those of his/her spouse, minor children, and shares held under others' names, exceed 1% of the total number of outstanding shares of the Company, or ranks the person in the top ten shareholders of the Company.
(d) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.
(e) Not a Director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act (this restriction does not apply to Independent Directors in the Company, its parent Company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country)
(f) Not a Director, supervisor, or employee of a company with a majority of the company's Director seats or voting shares and those of any other company are controlled by the same person (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).
(g) Not a Director, supervisor, or employee of a company or institution with the same chairman, president, or equivalent position, or a spouse thereof (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).
(h) Not a Director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).
(i) Not a professional individual, or an owner, partner, Director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; provided, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

The Diversity and Independence of the Board of Directors

The Company has 7 Directors, including 4 Independent Directors. The terms of office is 3 year. Board of Directors are selected based on their professionalism and diverse background, the selected criteria includes business management, business operation, finance and accounting, industrial knowledge, crisis management and leadership skill. Nomination and election of the members of the Company's board of Directors adopts the candidate nomination system in accordance with the Articles of Incorporation, and is in compliance with the " Procedures for Election of Directors " and " Corporate Governance Best Practice Principles " to ensure the diversity and independence of the members of the board.

(1) Diversification of the Board of Directors

In accordance with the Company's Corporate Governance Best Practice Principles, each Board member has the necessary knowledge, skill, and experience. To achieve the ideal goal of corporate governance, the Board of Directors possesses the following abilities:
A. The ability to make judgments about operations
B. Accounting and financial analysis ability
C. Business management ability
D. Crisis management ability
E. Knowledge of the industry
F. An international market perspective
G. Leadership ability
H. Decision-making ability

In accordance with the spirit of diversity mentioned above, the seven members of the Company's 11th Board of Directors consist of industry elites and experts from various fields, including four independent Directors (57%), whose consecutive terms shall not exceed three terms in principle. One independent Director's term of office is less than 3 years (accounting for 25% of all independent Directors), two independent Directors' terms of office are 3 to 9 years (accounting for 50% of all independent Directors), and one independent Director's term of office is more than 9 years (accounting for 25% of all independent Directors). Six members of the Board of Directors (86%) do not serve as Directors, supervisors, or employees of the Company, its subsidiaries, or affiliated enterprises. The age distribution of Directors: one person (14%) aged 35–45 years old, three persons (43%) aged 46–55 years old, two persons (29%) aged 56–65 years old, and one person (14%) aged 66–75 years old. The Company's Board of Directors have strong ability to lead, make operational judgments, manage business operations, conduct mergers and acquisitions, conduct transnational investment, manage crisis, and possess industrial knowledge and international market perspective include Sheng Pao-Shi, Shen Shang-Hung, Chen Kuan-Pai and Lin Jui-Yi, and among them, Director Shen Shang-Hung has professional competence in electrical engineering. Director Lee Yi-Chin used to work in an internationally renowned management consulting company and has professional knowledge in global industries and investment analysis. Director Lai Ming-Jong possesses the qualifications and experience of a certified public accountant, and has years of experience as a lecturer in the insurance industry, and expertise in financial accounting, securities insurance and corporate governance. Director Lin Hsin-Yi is qualified to practice law in both the United States and Taiwan. She specializes in legal cases related to patents, trade secrets, corporate labor disputes, and corporate, securities, and M&A matters.

The Company's Board Member's diversity for implementation and achievement are as follows

Diversity Core Items / Name/Title/Gender	Age				Industry Experience					Professional Ability					Independent DirectorTerm of Office		
	35–45 years old	46-55 years old	56-65 years old	66-75 years old	Securities Investments	Media Technology	International Trade	Banking Insurance	Asset Management	Accounting Economics	Electrical Engineering Civil Engineering	Business Administration	Biotechnology and Medical	Law	3 years	3 to 9 years	More than 9 years
Chairperson Sheng Pao-Hsi (Male)		✓			✓	✓	✓		✓	✓		✓	✓				
Director Shen Shang-Hung (Male)				✓	✓		✓		✓		✓	✓					
Director Chen Kuan-Pai (Male)		✓			✓							✓					
Independent Director Lai Ming-Jung (Male)			✓		✓			✓	✓	✓							
Independent Director Li Yi-Chin (Male)			✓		✓	✓					✓	✓				✓	
Independent Director Lin Jui-I (Male)		✓				✓	✓	✓	✓			✓				✓	
Independent Director Lin Hsin-I (Female)	✓				✓			✓	✓					✓	✓		✓
Total percentage (%)	**14**	**43**	**29**	**14**	**86**	**43**	**43**	**43**	**71**	**29**	**29**	**71**	**14**	**14**	**25**	**50**	**25**

Considering demostic pharmaceutical companies have been facing competition internationally, the Company plans to rely on Directors' international investment management, digital technology and other industry's experience. With the comprehensive discussion, sharing and exchanging ideas among the Directors, the Company's operating performance and stockholder's return will increase.

Goal: Board member who serves as the Company's employee concurrently should be less than 30% of the Board member
Status of achievement: One Board member serve as the Company's employee concurrently, around 14% of the Baord member, and does not exceed 30%. Achieved.

Goal: The composition of Board member should be diversified with different industry experience and professional expertise. To implement the diversification, the overlap of each industry experience and professional experience should not be 100%.
Status of achievement: The Company's Board of Director consist of seven member, including 4 independent Directorsand 4 directros. Directors are coming from different background and with differernt expertise. The industry experience and professional experience are for the Company's operational needs and the overlap does not reach 100%, which meet the Company's Board of Director diversification policy.

Goal: The Company values the gender equality of the composition of the Board of Directors, and aims to increase the number of female Directors to more than one-third of the total number of Directors.
Status of achievement: One female independent Director has been added to the Company's Board of Directors in 2023, increasing female Directors to 14% of the total number of Directors. Propose nominate additional female Director on the re-election of the board of Director in 2026.

(2) Independence of the Board of Directors

The current Board of Directors of the company consists of a total of 7 members, including 4 Independent Directors (estimated proportion of all board members is 57.14%). The number of Independent Director seats exceeds one-third, with no spousal or second-degree relative relationships between Independent Directors or between Independent Directors and other Directors. As of the printing date of the annual report, the Independent Directors all comply with the regulations of the Financial Supervisory Commission Securities and Futures Bureau regarding independent Directors, and there are no circumstances as stipulated in Article 26-3, Paragraphs 3 and 4 of the Securities Exchange Act between Directors and independent Directors.

Succession plan for Board member and management

1. Board member succession plan

The company's bylaw states the Company's Director number is between 7 to 9 Directors, and with candidate nomination system. The Company's also establish audit, renumberation and sustainability development committee to provide professional opinion and to assist Board to formulate the best decision. The Company's audit and renumeration committee member are composed by independent Directors with different industry background. The Company's sustainability development committee member are composed by Sheng Pao-Shi, Lee Yi-Chin ,Lin Rui Yi and Nadiya Chen. The Company's Board member who concurrently serve as the Company's employee does not exceed one third, which comply with the Company's diversity policy.

For the Company's Board member succession plan, the Company's will arrange managers to report their business to the Board quarterly. Managers not only can understand the Board function but also exchange ideas with Board members to facilitate the growth of managers' decision making, leadership, and internationalization.

The Company's Board member learn continuously every year and attend the training session hosted by the Company to maintain and enhance the professional knowledge. The Company conduct regular internal and external evaluation and review in accordance to the Company's "Board Performance Evaluation Procedure". The above information is used as the reference when distributing Director's renumeration and nominating the Board member.

To cultivate and foster the growth of Board talent, the Company will arrange rotate managers to subsidiary to become board, supervisor, or managers, to understand the Board function and each unit's business. With different viewpoint and increase in work scale, manager's leadship skill and industry knowledge will enhance and gradually become the Company's talent pool.

2. Manager succession plan

The Company's managers are hired in accordance to local regulation. Performance review and promotion are conduct regularly in accordance to internal procedure. The above procedures are reviewed and approved by the renumeration committee and the Board to ensure the suitability of managers.

For talent development, the Company arrange manager's strategic workshop to discuss future strategic planning, topic include strategic thinking and planning, strategic map, change management, talent development, leadership, etc. In 2022, the Company introduce international evaluation tool. With the quantitative analysis and qualitative interview, the individual's evaluation on overall leadersip analysis report is complete to analyze the success factor, profession, and key behavior system.

For individuals, individual evaluation result and individual development plan is established jointly with supervisor. The Company also provide work expansion to train manager's vision and as multinational talent. Promotion is evaluated based on individual performance, potential, and organizational structure to set up the succession plan for the Company's managers.

(II) Information on President, Executive Vice Presidents, Senior Managers, Department and Branch Managers

March 25, 2026; Unit: shares; %

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
President	Republic of China	Sheng Pao-Shi	Male	October 21, 2020	6,398,353	5.00	—	—	25,582,842	19.99	Bachelor of Economics, University of California, Berkeley President, Ho An Pharmaceuticals Ltd.	Chairman of the Company Chairman, Union Chemical & Pharmaceutical Co., Ltd. Director, Well Pool Co., Ltd. Chairman, Baolei Co., Ltd. Chairman, Rui Bao Xin Investment Co. Ltd. Independent Director, Gamania Digital Technology Co., Ltd. Chairman, Bora Health Inc. Chairman, Bora Pharmaceutical Laboratories Inc. Chairman, Po En International Co., Ltd. Chairman, Chia Shi International Co., Ltd. Independent Director, Advanced Power Electronics Corp., Ltd Representative of Institutional Director, BIONET Therapeutics Corp. Director, Jesper Co., Ltd. Chairman, Bora Management Consulting Co., Ltd. Chairman, Bora Pharmaceuticals Ophthalmic Inc. Chairman, TWi Pharmaceuticals, Inc. Chairman, Bora Pharmaceutical and Consumer Health Inc. Chairman, SunWay Biotech Co., Ltd. Chairman, Tanvex BioPharma Inc. Representative of Institutional Director, Wonders Company Ltd. Director, Libo Pharma Corp. Person in Charge, Bora Pharmaceuticals USA Inc. Person in Charge, Bora Pharmaceutical Services Inc. Person in Charge, TWi Pharmaceuticals USA, Inc. Person in Charge, Bora Pharmaceutical Holdings, LLC. Person in Charge, Upsher-Smith Laboratories, LLC Person in Charge, Bora Pharmaceuticals Injectables Inc. Person in Charge, Bora Pharmaceuticals Inc. Person in Charge, Pyros Pharmaceuticals Inc.	—	—	—	Note 1
Vice President	Republic of China	Chang Hsiu-Jung	Female	June 1, 2023	33,501	0.03	—	—	—	—	Department of Pharmacy, Taipei Medical University Vice President of Quality, Bora Pharmaceuticals, Inc. Supervising Pharmacist and Senior Associate Vice President of Quality, Bora Pharmaceutical Laboratories Inc. Quality Assurance Manager, Johnson & Johnson Corporation	—	—	—	—	—
Vice President, Finance, Accounting, and Management Department	Republic of China	Wang Chin-Chu	Female	May 1, 2013	255,139	0.20	—	—	—	—	Master's Degree, EMBA (Finance), National Taiwan University EMBA, AALTO University Department of Accounting, Senior Manager of Finance, Thecus Technology Corp. Deputy Manager of Finance, ABIT Computer Corporation Accounting Manager, ALi Corporation Senior Accountant, Deloitte & Touche Internal Auditor	Representative of Institutional Director, Bora Pharmaceutical Laboratories Inc. Representative of Institutional Director, Bora Pharmaceuticals Ophthalmic Inc. Representative of Institutional Supervisor, TWi Pharmaceuticals, Inc. Representative of Institutional Supervisor, Bora Pharmaceutical and Consumer Health Inc. Director, Bora Shen Wei En Foundation	—	—	—	—
Vice President, Information Management Department, The Group	Republic of China	Chen Chia-Chu	Male	November 14, 2022	6,062	0.00	—	—	—	—	Master, Tippie Business School, University of Iowa, USA Senior Manager, Digital Construction Department, TOP VICTORY ELECTRONICS (TAIWAN) CO., LTD. Head of IT, ASML Asia Pacific IT Manager, Taiwan Branch, Broadcom Asia Pacific	—	—	—	—	—
President of important subsidiary	Republic of China	Liu Nien-Hua	Male	November 13, 2024	27,497	0.02	—	—	—	—	MBA, University of Washington Manager, JPMorgan Asset Management Taiwan Supervisor, Twi Biotechology, Inc. Chairman, Jin Tei Pharmaceuticals, Inc.	Representative of Institutional Director and General Manager, TWi Pharmaceuticals, Inc. Director, Bora Pharmaceutical and Consumer Health Inc.	—	—	—	—

Title	Nationality	Name	Gender	Election (Appointment) Date	Number of Shares Held		Shareholding of Spouse and Minor Children		Shares Held in the Name of Others		Major Experience and Education	Current Positions in Other Companies	Spouses or Relatives within the Second Degree of Kinship			Notes
					Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage			Title	Name	Relations	
Senior Manager, Information Management Department	Republic of China	Li Chih-Chieh	Male	June 25, 2018	119,668	0.09	–	–	–	–	MBA, University of Southampton, UK Director, Information Department, Synmosa Corp. Project Manager, Collective Elite Manager, Information Department, Amkor System Analyst, ASE Production Planner, TDK	–	–	–	–	–
Senior Manager, Human Resource Department	Republic of China	Chen Chia-Ling	Female	April 1, 2022	29,200	0.02	–	–	–	–	Master of Psychology Consulting, Xavier University, USA Senior Manager, Human Resource and Administration Department, Hitron Techonologies Inc. Senior Director, Human Resource Department, MOTECH Industries Inc. Senior Manager of Organization Development, Eaton Asia Pacific	Representative of Institutional Director, SunWay Biotech Co., Ltd. Representative of Institutional Director, Bora Health Inc. Director, Bora Shen Wei En Foundation	–	–	–	–
Vice Senior Manager of Finance, Accounting and Management	Republic of China	Chen Hsiao-Ting	Female	March 9, 2022	17,871	0.01	–	–	–	–	Master's, Pace University, USA Deputy Project Manager, Finance Department, Poindus Systems Corp. Deputy Manager, KPMG CPA, New York State, USA Passed the Level II examination of the Chartered Financial Analyst	Representative of Institutional Supervisor, Bora Pharmaceutical Laboratories Inc. Representative of Institutional Supervisor, Bora Pharmaceuticals Ophthalmic Inc.	–	–	–	–
Head of Corporate Governance	Republic of China	Kang Huang-Cheng	Male	August 8, 2025	34	0.00	–	–	–	–	Bachelor's Degree, Department of Accounting, Soochow University Head of Biotechnology Business Division, Franz Biotech Inc. Chief Financial Officer, Franz Biotech Inc. Assistant Manager, Internal Control Audit Division, PricewaterhouseCoopers Taiwan	–	–	–	–	–

Note 1: The Company's Chairman is also the General Manager in order to actively expanding business and executing merger and acquisition to integrate internal and external resource. The main reason being the Company is in its early stage of development and is actively negotiating acquisitions and mergers matters, hence in order to facilitate business operations and prompt and effective communication with the board of Directors, the Chairman serving as the General Manager will facilitate the Company in seizing opportunities and conducting projects. Therefore, there is reasonableness and necessity in doing so. Also, the Company has 7 Directors on the board and 4 independent Directors at present, and more than half Directors are not employees or managerial personnel concurrently, which is in compliance with the regulations of corporate governance. In the future, the Company will also make appropriate adjustments based on the business operations and changes in the laws and regulations.

II. Remuneration paid during the most recent fiscal year to Directors, Independent Directors, the General Manager, and Vice President

(I) Remuneration paid to Directors, Independent Directors, the General Manager, and Vice President

1. Remuneration paid to Directors and Independent Directors

Title	Name	Directors' Remuneration										Total of items A, B, C and D and percentage of net income after tax			Remuneration received by concurrent employees								Total of items A, B, C, D, E, F and G and percentage of net income after tax %		Remuneration received from investee companies other than subsidiaries or the parent company
		Remuneration (A)		Severance Pay (B)		Directors' Remuneration (C)		Business Execution Expenses (D)							Salary, Bonuses and Special Allowances (E)		Severance Pay (F)		Employees' Remuneration (G)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements				The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements				
																			Cash Amount	Stock Amount	Cash Amount	Stock Amount			
Chairperson	Sheng Pao-Shi	—	—	—	—	32,364	33,426	175	205	32,539 1.07	33,631 1.10		20,447	22,847	54	54	1,026	—	1,217	—	54,066 1.77	57,749 1.90	None
Directors	Baolei Co., Ltd.																								
Representative of Institutional Director	Chen Kuan-Pai																								
Directors	Ta Ya Venture Capital Co., Ltd.																								
Representative of Institutional Director	Shen Shang-Hung																								
Directors	Chen Shin-Min																								
Independent Director	Lin Jui-I	3,840	3,840	—	—	—	—	200	200	4,040 0.13	4,040 0.13		—	—	—	—	—	—	—	—	4,040 0.13	4,040 0.13	None
	Li Yi-Chin																								
	Lai Ming-Jung																								
	Lin Hsin-I																								

Note:

1. Please describe the remuneration policy, system, standards, and structure for Independent Directors, and explain the correlation between their responsibilities, risks, time commitment, and the amount of remuneration paid: The Company's remuneration policy, system, standards, and structure for Independent Directors are established with reference to industry standards and are based on their responsibilities, risks, and time commitment. The Company reviews these annually in light of its operational status and industry standards, and submits the review results to the responsible unit for evaluation. If adjustments are needed, the results will be presented to the Board of Directors for resolution to safeguard the rights and interests of Independent Directors.
2. The remuneration of the Company's Directors for all companies in the financial reports for providing services (such as serving as non-employee consultants) in the most recent fiscal year: None.
3. Director Chen Shin-Min applied for retirement on June 30, 2025, and concurrently resigned from his position as Director.

Remuneration Range Table

Range of Remuneration Paid to Each Director of the Company	Director's Name			
	Total of First Four Items of Remuneration (A+B+C+D)			Total of First Seven Items of Remuneration (A+B+C+D+E+F+G)
	The Company	All companies included in the financial statements		The Company	All companies included in the financial statements
Less than NT$1,000,000	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.		Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.	Chen Kuan-Pai, Representative of Baolei Co., Ltd., Shen Shang-Hung, Representative of Ta Ya Venture Capital Co., Ltd.
NT$1,000,000 (inclusive) – NT$2,000,000 (exclusive)	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I		Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I	Lin Jui-I, Li Yi-Chin, Lai Ming-Jung, Lin Hsin-I
NT$2,000,000 (inclusive) – NT$3,500,000 (exclusive)	Chen Shin-Min	Chen Shin-Min		–	–
NT$3,5000,000 (inclusive) – NT$5,000,000 (exclusive)	Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.	Chen Shin-Min, Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.		Chen Shin-Min, Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.	Chen Shin-Min, Baolei Co., Ltd., Ta Ya Venture Capital Co., Ltd.
NT$5,000,000 (inclusive) – NT$10,000,000 (exclusive)	–	–		–	–
NT$10,000,000 (inclusive) – NT$15,000,000 (exclusive)	–	–		–	–
NT$15,000,000 (inclusive) – NT$30,000,000 (exclusive)	Sheng Pao-Shi	Sheng Pao-Shi		–	–
NT$30,000,000 (inclusive) – NT$50,000,000 (exclusive)	–	–		Sheng Pao-Shi	Sheng Pao-Shi
NT$50,000,000 (inclusive) – NT$100,000,000 (exclusive)	–	–		–	–
More than NT$100,000,000	–	–		–	–
Total	10 people	10 people		10 people	10 people

Note: 1. Director Chen Shin-Min applied for retirement on June 30, 2025, and concurrently resigned from his position as Director.
2. Supervisors' Remuneration: Not applicable as the Company has established an Audit Committee which is formed by all independent Directors.
3. General Manager and Vice President Remunerations.

2025; Unit: NTD thousand; %

Title	Name	Salary (A)		Severance pay and pension (B)		Bonuses and allowances, etc. (C)			Employee remuneration (D)				Total remuneration (A+B+C+D) and as a percentage of net income after tax		Remuneration received from investees other than subsidiaries or the parent company
		The Company	All companies in the financial report	The Company	All companies in the financial report	The Company	All companies in the financial report		The Company		All companies in the financial report		The Company	All companies in the financial report	
									Cash Amount	Stocks Amount	Cash Amount	Stocks Amount			
General Manager	Sheng Pao-Shi	26,561	28,711	450	450	16,162	16,162		6,168	–	6,923	–	49,341 1.62	52,246 1.72	None
Vice President	Chen Shih-Min														
Vice President	Alice Wang														
Vice President	Frank Chen														
Senior Vice President	Tom Chang														
Vice President of Quality Operations	Hsiu-Jung Chang														

Note: 1. Vice President Chen Shin-Min applied for retirement on June 30, 2025, and concurrently resigned from his position as Director.
2. Senior Vice President Chang, Chen-Tang was reassigned to the subsidiary Bora Pharmaceutical Laboratories Inc. on September 1, 2025.

Range of remuneration chart

Range of remuneration paid to each President and Vice President of the Company	Names of the President and Vice Presidents	
	—	—
Less than NT$1,000,000	—	—
NT$1,000,000 (inclusive) - NT$2,000,000 (exclusive)	Chen Shin-Min	Chen Shin-Min
NT$2,000,000 (inclusive) - NT$3,500,000 (exclusive)	—	—
NT$3,5000,000 (inclusive) - NT$5,000,000 (exclusive)	—	—
NT$5,000,000 (inclusive) - NT$10,000,000 (exclusive)	Wang Chin-Chu, Chen Chia-Chu, Chang Hsiu-Jung, Chang Chen-Tang	Wang Chin-Chu, Chen Chia-Chu, Chang Hsiu-Jung, Chang Chen-Tang
NT$10,000,000 (inclusive) - NT$15,000,000 (exclusive)	—	—
NT$15,000,000 (inclusive) - NT$30,000,000 (exclusive)	Sheng Pao-Shi	Sheng Pao-Shi
NT$30,000,000 (inclusive) - NT$50,000,000 (exclusive)	—	—
NT$50,000,000 (inclusive) - NT$100,000,000 (exclusive)	—	Sheng Pao-Shi
More than NT$100,000,000	—	—
Total	6 people	6 people

(II) Names of managerial personnel provided with employee's compensation and state of distribution:

2025; Unit: NT$ thousand; %

Title	Name	Stock Amount	Cash Amount	Total	Total as percentage of net income after tax
President	Sheng Pao-Shi	—	11,500	11,500	0.38%
Vice President	Chen Shin-Min				
Vice President	Wang Chin-Chu				
Vice President	Chen Chia-Chu				
Senior Vice President	Chang Chen-Tang				
Vice President	Chang Hsiu-Jung				
President of important subsidiary	Liu Nien-Hua				
Director	Li Chih-Chieh				
Director	Chen Chia-Ling				
Head of Accounting	Chen Hsiao-Ting				
Head of Corporate Governance	Kang Huang-Cheng				

Note: 1. Vice President Chen Shin-Min applied for retirement on June 30, 2025, and concurrently resigned from his position as Director.
2. Senior Vice President Chang, Chen-Tang was reassigned to the subsidiary Bora Pharmaceutical Laboratories Inc. on September 1, 2025.

(III) Separately compare and describe total remuneration, as a percentage of net income stated in the parent company only financial reports or individual financial reports, as paid by the Company and by each other company included in the consolidated financial statements during the past 2 fiscal years to Directors, supervisors, general managers, and vice presidents, and analyze and describe remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure.

1. Analysis of total remuneration paid to Directors, supervisors, general managers, and vice presidents over the past two years by the Company and all companies listed in the consolidated report as a percentage of net profit after tax of parent or individual financial report

Unit: NT$ thousand; %

Item \ Year	2024		2025	
	The Company	Consolidated Report	The Company	Consolidated Report
Total Directors' remuneration	40,289	40,289	32,364	33,426
Directors' remuneration as a percentage of net income after tax	1.02%	1.02%	1.06%	1.10%
Total supervisors' remuneration	—	—	—	—
Supervisors' remuneration as a percentage of net income after tax	—	—	—	—
Total General Manager and Vice Presidents remuneration	85,353	99,609	49,341	52,246
General Manager and Vice Presidents remuneration as a percentage of net income after tax	2.17%	2.53%	1.62%	1.72%
Income after tax	3,939,009	3,939,009	3,046,040	3,046,040

The total remuneration of the Company's Directors in 2025 decreased compared to 2024, due to the decrease in net income after tax in 2025. The proportion of total Directors' remuneration to net income after tax in 2025, compared to 2024, also decreased.

Remuneration policies, standards, and packages, the procedure for determining remuneration, and its linkage to operating performance and future risk exposure:

(1) Remuneration policies, standards, and packages:

The Company's Directors remuneration is paid in accordance to the Company's Article 16 of the Articles of Incorporation, and taking into consideration the individual's participation in the operation of the Company, the value of contribution, and normal industry standard. According to the Company's Article 20 of the Article of Incorporation, it shall set aside no higher than 5% of the profit as Directors' remuneration and no lower than 1% as employee renumeration.

The Company's Renumeration Committee establishs and reviews the Board member and managers' performance, renumeration policy, system, standard and structure in accordance to Article 2 of the "Renumeration Policy Organizational Structure". Board member and managers' renumeration are reviewed periodically based on the future development of the Company, industry standard and individual performance, Company's operation performance, and reasonableness of future risk. To prevent Board member and managers pursue renumeration and take excessive risk, the Company will consider industry characteristic and the Company's operation to adjust the short term performance bonus and payment time for flexible renumeration.

The Company has establishs "Board Member Renumeration Distribution Policy" and "Manager's Renumberation Distribution Policy" for the Company's Board member and managers. The above procedures have been reviewed by the audit committee and submit to Board of Director for approval. The composition of renumeration for the Company's Board member and managers are as follows"

A. Board renumeration: All Board member who participate the Company's daily operation and independent Director will receive salary, bonus and severance payment. Board renumeration including renumeration, traveling allowance, and surplus distribution. Travelling allowance is not related to operating performance, it is the traveling expense for Board member attending the Board meeting.

B. Manager renumberation: The remuneration is determined by the Company's future development, human resource market, homogeneity of industrial category and the Company's salary and benefit policy, including fixed salary, floating salary,and remuneration highly linked to the operating performance (revenue/profit) and core value, and the rewards (such as employee stock option certificate, treasury stock and new restricted employee shares)and benefits.

The Remuneration Committee of the Company proposes to amend the remuneration system of senior managers from time to time as required by its duties. In response to the ESG development trend, in order to strengthen the commitment of senior managers to the sustainable development of the Company, ensure the implementation of various sustainable measures, the Remuneration Committee reviewed and approved the connection of ESG achievement performance and senior managers (compliance with the Deputy General Manager and above senior executives disclosed in the annual report) in November 2025. The annual KPI of the remuneration system of senior managers will include financial strategy indicators (90%) and ESG performance indicators (10%). The annual KPI achievement status is used to calculate the variable remuneration (bonus) for the year. The remuneration indicators for senior managers are as follows:

Compensation Indicators for Senior Management	Item
Financial Strategy Performance Targets (90%)	1. Annual Revenue Target 2. Annual Profit Target (EPS)
ESG Performance Targets (10%)	1. Have all site conduct the greenhouse gas emission inventory and submit the data to the system 2. Finish the employee engagement survey for the heqdquarter 3. Formulate the risk management policy

(2) Linkage to operating performance and future risk exposure:

The Company's remuneration policy for Directors and managers stipulates that, apart from the independent Director remuneration, Director transportation allowance, and managers' fixed monthly salary, which are fixed in nature, the distribution of Directors' remuneration follows the "Regulations for Directors' Remuneration and Compensation Distribution". This allocation is based on each Director's level of participation and value contribution to the Company's operations, with different weightings assigned according to their roles and responsibilities (for example: serving as a joint guarantor for the Company's financing). The remuneration distribution results are reviewed by the Remuneration Committee before being submitted to the Board of Directors for resolution and reported to the General Meeting of Shareholders. For managers' variable remuneration components such as performance bonuses, employee bonuses, and project bonuses, the Company considers its annual profit, managers' annual target achievement, and performance evaluations to calculate their contributions. These are submitted to the Remuneration Committee which, in accordance with Article 2 of the "Remuneration Committee Committee", reviews the remuneration distribution with consideration of operating performance and avoidance of pursuing short-term performance that exceeds the Company's risk appetite.

III. The State of Implementation of Corporate Governance

(I) The state of operations of the board of Directors

In 2024 and 2025 as of the printing date of the annual report, the Board of Directors has convened 13 meetings [A], with the following Directors' attendance:

Title	Name	Actual Attendance (Number) [B]	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A]	Notes
Chairman	Sheng Pao-Hsi	12	1	92.31%	None
Directors	Baolei Co., Ltd. Representative: Chen Kuan-Pai	17	2	84.62%	None
Directors	Ta Ya Venture Capital Co., Ltd. Representative: Shen Shang-Hung	7	6	53.85%	None
Directors	Chen Shin-Min	5	0	100%	Note 1
Independent Director	Lin Jui-I	8	5	61.54%	None
Independent Director	Li Yi-Chin	13	—	100%	None
Independent Director	Lai Ming-Jung	12	1	92.31%	None
Independent Director	Lin Hsin-I	13	—	100%	None

Note 1: Director Chen Shin-Min applied for retirement on June 30, 2025, and concurrently resigned from his position as Director.

Other matters that should be recorded:

I. The date of the board meeting, the term, contents of the proposals, opinions of all independent Directors, and the Company's handling of opinions of independent Directors shall be recorded under the following circumstances in the operations of the board of Directors meeting:

(I) Items specified in Article 14-3 of the Securities and Exchange Act: Article 14-3 of the Securities and Exchange Act is not applicable as the Company has set up an Audit Committee, and the relevant information can be found in the State of operations of the Audit Committee in the Annual Report.

(II) Other board resolutions apart from the aforementioned matters with respect to objections or qualified opinions expressed by independent Directors on record or in writing: None.

II. For recusal of Directors due to conflict of interests, the name of the Directors, the content of the proposals, reasons for recusal, and participation in voting shall be stated:

Proposal Content	Director's Name	Reason for Recusal	Participation in Voting
Proposal to discharge Directors's non-competition clause	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Related to the Director's personal interest	No
The proposal for the distribution of the 2024 Directors' remuneration	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi, Chen Shin-Min, Chen Kuan-Pai	Related to the Director's personal interest	No
The proposal for the distribution of the 2024 manager performance results and employee remuneration	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi, Chen Shin-Min	Directors who serve as managers	No
The Company's 2025 annual managers' salary adjustment proposal	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi, Chen Shin-Min	Directors who serve as managers	No
Subsidiary TWi Pharmaceuticals, Inc. to buy back its issued employee stock option	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi, Chen Shin-Min	Directors who serve as managers	No
To issue the 2024 employee stock option to the Company's manager	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No
Proposal to discharge Directors's non-competition clause	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Related to the Director's personal interest	No
The case of the Company's managers' year-end performance bonuses for 2025	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No
Subsidiary TWi Pharmaceuticals, Inc. to donate to Bora Sheng Wei En foundation	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Related to the Director's personal interest	No
Proposal to discharge Directors's non-competition clause	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Related to the Director's personal interest	No
The proposal for the distribution of the 2025 manager performance results and employee remuneration	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No
The proposal for the distribution of the 2025 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No
The Company's 2026 annual managers' salary adjustment proposal	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi, Chen Shin-Min	Directors who serve as managers	No
To issue the 2024 employee stock option to the Company's manager	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No
To issue the 2025 restricted stock award to the Company's manager	Individual Directors recused themselves from relevant proposals: Sheng Pao-Shi	Directors who serve as managers	No

III. (I) The Company's board of Director approved the resolution to amend the "Regulations Governing Board Performance Evaluation" on 2019.11.13. The Company should conduct evaluation of the board of Directors on a yearly basis, and submitted the evaluation results to the board of Directors. The board of Director should be evaluated externally every 3 years.

(II) Information regarding the performance evaluation and results of the Board of Directors for 2024 is as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Once a year	January 1, 2025 to December 31, 2025	Board of Directors, Individual Board Members, Audit Committee, Remuneration Committee, and Sustainability Committee	Board of Directors and Directors' Self-Evaluation	(I) The performance evaluation of the Board of Directors encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Quality of the Board of Directors' decision-making. 3. Composition and structure of the Board of Directors. 4. Election of Directors and continuing education. 5. Internal control. 6. Participation in sustainable operations (ESG), etc. (II) Performance evaluation of individual board members encompasses the following aspects: 1. Understanding of the Company's goals and missions. 2. Awareness of Directors' responsibilities. 3. Level of participation in the Company's operations. 4. Management of internal relationships and communication. 5. Directors' expertise and continuing education. 6. Internal control, etc. (III) The performance evaluation of the Audit Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of functional committee responsibilities. 3. Quality of functional committee decision-making. 4. Functional committee composition and member selection. 5. Internal control, etc. (IV) The performance evaluation of the Remuneration Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of functional committee responsibilities. 3. Quality of functional committee decision-making. 4. Functional committee composition and member selection. 5. Internal control, etc. (V) The performance evaluation of the Sustainability Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of Sustainability Committee responsibilities. 3. Increase in Quality of Sustainability Committee decision-making. 4. Sustainability Committee composition and member selection.

The Company's 2025 Board of Directors' performance self-evaluation results were submitted to the Board of Directors on March 11, 2026, as a basis for review and improvement. The Board of Directors' overall average performance self-evaluation score for 2025 was 4.98 (out of 5), an improvement from 2024 (4.95), indicating excellent overall operations. The Audit Committee's 2025 self-evaluation overall average score was 4.90 (out of 5), comparable to 2024 (4.95), demonstrating sound overall operations. The self-evaluation results for individual Directors and the Remuneration Committee operations for both 2025 and 2024 showed 100% satisfaction with all measurement items. The Sustainability Remuneration Committee's 2025 self-evaluation overall average score was 4.63 (out of 5), an increase from 2024 (4.32). In the future, we will continue to communicate with committee members regarding the Company's sustainability policies and planning, and establish internal sustainability control systems and performance evaluations to enhance the committee's operational effectiveness.

(III) External performance evaluation of the Board of Directors and functional committees (Audit Committee and Remuneration Committee) for 2025, and related information, are as follows:

Evaluation Cycle	Evaluation Period	Evaluation Scope	Evaluation Method	Evaluation Content
Ever three year	2025/01/01 to 2025/12/31	Board, audit committee and renumeration committee	Appoint external organization (TIRI) and the organization assign three individual for the evaluation	(I) Board of Director evaluation includes the following aspect: 1. Board composition and professional development. 2. Board decision quality. 3. Board operating effectiveness. 4. Internal control and risk management. 5. Board participation on corporate social responsibility. (II) Audit committee evaluation includes the following aspect: 1. Participation on the Company's operation. 2. Awareness on the functional committee responsibility. 3. Increase the decision quality for the functional committee. 4. Composition of the functional committee and member's selection. 5. Internal control. (III) Renumeration committee evaluation includes the following aspect: 1. Participation on the Company's operation. 2. Awareness on the functional committee responsibility. 3. Increase the decision quality for the functional committee. 4. Composition of the functional committee and member's selection. 5. Internal control. (IV) The performance evaluation of the Sustainability Committee encompasses the following aspects: 1. Level of participation in the Company's operations. 2. Awareness of functional committee responsibilities. 3. Enhance the quality of functional committee decision-making. 4. Functional committee composition and member selection. 5. Internal control.

1. On May 2025, the Company appoints Taiwan Investor Relations Institute (TIRI) to perform 2025 external board evaluation (period: 2025.01.01 – 2025.12.31). TIRI assigns three expert who are not related to the Company and issue independent letter to the Company. TIRI evaluates the operating effectiveness of the Company's board and functional committee (audit committee and renumeration committee and Sustainable Development Committee) through questionnaires and on site visits.

2. TIRI issues the Company's board evaluation report on 2026.01.14. The Company has submits the recommendation item and actions plan to take to the Board on 2026.3.11. Evaluation item, recommendation item and item to take are summarized below:

(1) Summary of TIRI report

The Board of Directors of the evaluated company demonstrates a sound structure and diverse composition, encompassing a wide range of professional backgrounds. The Board of Directors and its subordinate Audit Committee, Remuneration Committee, and Sustainability Committee convene regularly. Directors and Independent Directors actively participate in relevant agenda items and continuously engage in professional development to stay abreast of the latest knowledge, thereby enhancing decision-making and responsiveness and fully exercising their supervisory responsibilities. The Company also conducts regular internal and external performance evaluations of the Board of Directors and each functional committee to optimize operational effectiveness.

(2) TIRI recommendation item and implementation to take

Item	TIRI Recommendation Item	Implementation to Take
1	Increase the number of female Directors to enhance Board diversity	The Company will incorporate this consideration into the nomination process for Directors and Independent Directors upon the expiration of the current Board's term.
2	Plan the tenure and succession arrangements of Independent Directors to strengthen Board independence	The Company will incorporate this consideration into the nomination process for Directors and Independent Directors upon the expiration of the current Board's term.
3	Plan to establish a Nomination Committee to enhance the corporate governance mechanism of the Board of Directors	The Company will make appropriate adjustments based on operational conditions and regulatory changes
4	Evaluate the establishment of a Chief Sustainability Officer to strengthen the promotion of sustainability governance	The Company will make appropriate adjustments based on operational conditions and regulatory changes

IV. Goals for enhancing the functions of the board of Directors for the current and most recent fiscal period as well as assessments of the actions implemented: The Company has 7 Directors, including 4 independent Directors. The election and re-election of Directors take into consideration the diversity and expertise of the board members, and regular evaluations are conducted in accordance with the Regulations Governing Board Performance Evaluation to improve the operation efficiency of the board. For details, please refer to "The State of Implementation of Corporate Governance" of the Annual Report. To improve corporate governance, the Company has also set up an Audit Committee and Remuneration commiffee. In accordance with the Securities and Exchange Act, the Company set up an Audit Committee in 2017, which is composed of the entire number of independent Directors, to assist the board of Directors in fulfilling its duties in supervising the Company in implementing the procedures for accounting, audit and financial reporting, and ensuring the quality and loyalty in financial control, so as to improve the operation efficiency of the board. In accordance with Article 6 of the Company's Audit Committee Charter, the main powers of the Audit Committee are:

(I) The adoption of or amendments to the internal control system pursuant to Article 14-1 of the Securities and Exchange Act.

(II) Evaluate the effectiveness of the internal control system.

(III) Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.

(IV) Matters in which a Director is an interested party.

(V) Asset transactions or derivatives trading of a material nature.

(VI) Loans of funds, endorsements, or provision of guarantees of a material nature.

(VII) The offering, issuance, or private placement of equity-type securities.

(VIII) The hiring or dismissal of a certified public accountant, or their compensation.

(IX) The appointment or discharge of a financial, accounting, or internal audit officer.

(X) Annual and Quarter Financial Report signed and sealed by the Chairman, managerial personnel and chief accountant, and Q2 Financial Report to be audited by the certified public accountant.

(XI) Proposals on Business Operation Report and Earnings Distribution or Deficit Compensation.

(XII) Other material matters as may be required by the Company or by the competent authority.

In addition to the above, the Audit Committee will conduct evaluation of the independence and performance of the certified public accounts once every year. Starting in 2023, the Company used Audit Quality Indicator to evaluate the external accountant's independence and competency with article 29 of the "Corporate Governance Best Practice Principle". The evaluation result will review bu the audit committee and submit to the Board for approval. The audit committee will communicate the Company's important issues with the accountant and chief auditor at least once per quarter, and disclose the mode of communication, issues and results in the Company's website. For details of the establishment and operation of the Remuneration commiffee, please refer to "(IV) If the Company has a Remuneration commiffee in place, the composition, responsibilities and operation of the compensation committee shall be disclosed" under "The State of Implementation of Corporate Governance" of the of the Annual Report.

(II) Audit Committee Operations

Audit Committee Operations: During 2025 and as of the printing date of the annual report in 2026, the Audit Committee held a total of 13 meetings (A), with committee member attendance as follows:

Title	Name	Actual Attendance (Number) [B]	Number of Attendance by Proxy	Actual Attendance Rate (%) [B/A]	Notes
Independent Director	Lai Ming-Jung	12	1	92.31%	None
Independent Director	Lin Jui-I	8	5	61.54%	None
Independent Director	Li Yi-Chin	13	—	100%	None
Independent Director	Lin Hsin-I	13	—	100%	None

Other Matters to be Recorded:

I. (I) Matters listed in Article 14-5 of the Securities and Exchange Act:

Meeting Date	Matters Listed in Article 14-5 of the Securities and Exchange Act	Resolution Results	Audit Committee's Opinions or Objections/ Reservations	The Company's Handling Operations
March 5, 2025 2025 (3rd Term) 24th Meeting	Proposal 1: The Company's 2024 "Statement of Internal Control System"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 2: The Company's 2024 "Statement of Internal Control System"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 3: 2024 Business Report and Financial Statements	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 4: Distribution of earnings and cash dividends for 2024	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 5: Proposal for stock dividend distribution through capitalization of earnings	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 6: Proposal for the issuance of restricted employee shares	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 7: Formulation of general principles for the Company's pre-approval policy for non-assurance services	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 8: Proposal for Amendment to the "Self-Assessment Procedures for Internal Control System"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 9: Proposal for releasing Directors from non-competition restrictions	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 10: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable

Meeting Date	Matters Listed in Article 14-5 of the Securities and Exchange Act	Resolution Results	Audit Committee's Opinions or Objections/ Reservations	The Company's Handling Operations
	Proposal 11: 2024 first employee stock option certificate allocation to non-managers	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
	Proposal 12: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection	None	Not applicable
April 8, 2025 2025 (3rd Term) 25th Meeting	Proposal 1: guidelines Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"	Unanimously approved by all attending Audit Committee members without objection Approved by all employees unanimously	None	Not applicable
	Proposal 2: The Company's Shares Buyback	Unanimously approved by all attending Audit Committee members without objection Approved by all employees unanimously	None	Not applicable
May 14, 2025 2025 (3rd Term) 26th Meeting	Proposal 1: Consolidated financial report for the first quarter of 2025 of the Company.	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds			
	Proposal 3: Proposal to authorize the Chairman with full authority to handle the transfer of operating assets and partial asset disposal of Uspher-Smith, a wholly owned material subsidiary			
	Proposal 4: Proposed guarantee of a loan facility of US$20 million for Bora Pharmaceuticals Inc., a newly established 100% indirectly owned subsidiary of the Company.			
	Proposal 5: Proposal for continuously providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company			
	Proposal 6: Proposed acquisition of equipment for operational use by Bora Pharmaceuticals Injectables Inc., a 100% indirectly owned subsidiary of the Company.			
	Proposal 7: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"			
May 23, 2025 2025 (3rd Term) 27th Meeting	Proposal 1: Intent to participate in cash capital increase and new share issuance of Tanvex BioPharma Inc., an investee company in which the Company holds a 30.47% interest.	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Proposed guarantee of a loan facility of US$15 million for Bora Pharmaceuticals Injectables Inc., a 100% indirectly owned subsidiary of the Company.			
	Proposal 3: Proposal for the amendment of the issuance and conversion rules of the Company's third domestic unsecured convertible bonds.			
	Proposal 4: Proposal for the amendment of the issuance and conversion rules of the Company's first overseas unsecured convertible corporate bonds.			
June 13, 2025 2025 (3rd Term) 28th Meeting	Proposal 1: Capital increase by cash of Salus Therapeutics Inc, a company in which the Company holds a 100% direct shareholding (hereinafter referred to as "Bora Pharmaceutical")	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Proposal for the subsidiary TWi Pharmaceuticals, Inc. (hereinafter referred to as "TWi Pharmaceuticals") to dispose of two R&D projects, submitted for discussion			
	Proposal 3: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"			
August 8, 2025 2025 (3rd Term) 29th Meeting	Proposal 1: Consolidated financial report for the second quarter of 2025 of the Company	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: The Company's earnings distribution for the first half of 2025			
	Proposal 3: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds			
	Proposal 4: Proposal for a cash capital increase of US$40,000 thousand in Bora Global Ltd., a newly established British Virgin Islands company in which the Company directly holds 100% equity			
	Proposal 5: Amendment to the "2025 First Restricted Stock Award Plan"			
	Proposal 6: Proposal for issuance of employee stock options			
	Proposal 7: Based on the transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"			
	Proposal 8: 2024 first employee stock option certificate allocation to non-managers			
	Proposal 9: The proposal for the allocation of restricted stock awards to non-managerial employees for 2025.			
October 13, 2025 2025 (3rd Term) 30th Meeting	Proposal 1: Proposal to issue overseas depositary receipts backed by existing shares for trading on the U.S. over-the-counter market	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable

Meeting Date	Matters Listed in Article 14-5 of the Securities and Exchange Act	Resolution Results	Audit Committee's Opinions or Objections/ Reservations	The Company's Handling Operations
November 13, 2025 2025 (3rd Term) 31st Meeting Audit Committee	Proposal 1: Consolidated financial report for the third quarter of 2025 of the Company	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Proposal for the issuance of the Company's fourth and fifth domestic unsecured convertible corporate bonds.			
	Proposal 3: Proposal to discharge the non-compete restrictions on the Company's managerial officers			
	Proposal 4: Proposal for the Company to buy back its shares			
December 4, 2025 2025 (3rd Term) 32nd Meeting Audit Committee	Proposal 1: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020, 2022 and 2023 employee stock options and domestic third unsecured convertible corporate bonds	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
December 16, 2025 2025 (3rd Term) 33rd Meeting Audit Committee	Proposal 1: The Company's 2026 internal audit plan proposal	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Amendment of "Internal Control System"			
	Proposal 3: Amendment to the "2025 First Employee Stock Option Issuance and Subscription Plan"			
	Proposal 4: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"			
March 11, 2026 2026 (3rd Term) 34th Meeting Audit Committee	Proposal 1: The Company's 2025 "Statement of Internal Control System"	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Review of the independence and eligibility assessment of the Company's CPA(s)			
	Proposal 3: 2025 Business Report and Financial Statements			
	Proposal 4: Distribution of earnings and cash dividends for 2025			
	Proposal 5: Amendments to the "Procedures for Acquisition or Disposal of Assets"			
	Proposal 6: Amendment of the Company's 2026 internal audit plan proposal			
	Proposal 7: Proposal for the subsidiary TWi Pharmaceuticals, Inc. to make a donation to the "Bora Sheng Wei En Foundation"			
	Proposal 8: Proposal to provide a guarantee for a loan facility totaling US$9,000 thousand to two U.S. subsidiaries in which the Company holds 100% indirect ownership			
	Proposal 9: Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020, 2022, and 2023 employee stock option certificates.			
	Proposal 10: Formulation of general principles for the Company's pre-approval policy for non-assurance services			
	Proposal 11: Proposal for releasing the newly appointed Directors and their representatives from non-competition restrictions.			
	Proposal 12: Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"			
	Proposal 13: 2024 first employee stock option certificate allocation to non-managers			
	Proposal 14: 2025 first employee stock option certificate allocation to non-managers			
	Proposal 15: The proposal for the allocation of restricted stock awards to non-managerial employees for 2025.			
March 31, 2026 2026 (3rd Term) 35th Meeting Audit Committee	Proposal 1: Proposal to provide a guarantee for a loan facility of US$20,000 thousand to Bora Global Ltd., a company in which the Company holds a 100% direct shareholding	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
May 5, 2026 2026 (3rd Term) 35th Meeting Audit Committee	Proposal 1: Proposal for the subsidiary Bora Management Consulting Co. Ltd. to participate the private placement of common share from SunWay Biotech Co., Ltd.	Unanimously approved by all attending Audit Committee members without objection Approved without objection	None	Not applicable
	Proposal 2: Proposal to cash capital increase the Company's subsidiary Bora Management Consulting Co. Ltd. for NTD 624,000 thousand			
	Proposal 3: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2021 employee stock options			
	Proposal 4: Proposal to establish the record date for capital decrease for the Company's issuance of restricted stock awards			

(II) For matters not approved by the Audit Committee but passed by more than two-thirds of all Directors: None.

II. Implementation of recusal by Independent Directors for proposals with conflicts of interest: None.

III. Communication between Independent Directors and the internal audit supervisor and CPA:

(I) The Company's internal audit supervisor sends audit reports to Independent Directors monthly via email and holds discussions with them from time to time regarding audits, internal control, and other related issues. There has been sufficient communication regarding the execution and effectiveness of audit operations.

(II) The Company's CPAs periodically meet with Independent Directors after each quarterly Audit Committee meeting to report on and communicate the audit results of financial statements (including consolidated financial statements), key audit matters, important issues, and other relevant regulatory requirements.

(III) The important communications mentioned in (I) and (II) above have been disclosed on the Company's official website.

(III) The State of Implementation of Corporate Governance and deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
I. Does the company establish and disclose its corporate governance principles in accordance with the Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies?	✓		The Company has established various corporate governance regulations in accordance with the "Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies." Please refer to the Company's website/Resource Center/Important Internal Regulations (https://bora-corp.com/)	No material deviation
II. Company stock equity structure and shareholder equity				
(I) Does the company establish internal procedures for addressing shareholder suggestions, doubts, disputes, and litigation matters and implement the procedures accordingly?	✓		(I) The Company has established a spokesperson system and has appointed a spokesperson and a deputy spokesperson, and their contact numbers are disclosed in the Market Observation Post System, to facilitate handling of shareholder recommendations, doubts, disputes, and litigations to safeguard the shareholders' rights.	No material deviation
(II) Did the company maintain a register of major shareholders with controlling power as well as a register of persons exercising ultimate control over those major shareholders?	✓		(II) The Company's daily shareholders affairs are handled by a professional shareholder services agent, and dedicated personnel is in charge of handling the relevant matters, and maintaining a register of major shareholders with controlling power and persons exercising ultimate control.	No material deviation
(III) Did the company establish and enforce risk control and firewall systems with its affiliates?	✓		(III) The Company has business interactions with its affiliates, and the price terms and payment methods of such interactions are set based on the principles of fairness and reasonableness. In addition, the Company has established the "Rules Governing Financial and Business Matters Between the Company and its Affiliated Enterprises" in accordance to Article 17 of "Corporate Governance Best Practice Principle" and approved by the Board on March 16, 2023 to ensure the risk management.	No material deviation
(IV) Did the company establish internal regulations stipulating that employees shall not use undisclosed information to engage in the transaction of marketable securities?	✓		(IV) In line with the Corporate Governance Best-Practice Principles and regulatory amendments, the Company's Board of Directors discussed and approved the revision of the "Procedures for Handling Material Inside Information and Preventing Insider Trading" on March 16, 2023. The revision explicitly prohibits insiders from trading the Company's stock for a specified period after becoming aware of financial reports or performance information (15 days before quarterly reports/30 days before annual financial reports). The amended regulations, along with the Taiwan Stock Exchange's insider trading educational videos and manuals, have been placed on the Company's intranet for all employees' reference. The meeting affairs unit has reminded Directors and insiders of this new regulation via email, in accordance with the aforementioned timing requirements. The implementation status has been disclosed on the Company's official website. To enhance the promotion of ethical business operations and the importance of insider trading legal concepts. Bora Pharmaceuticals conducted "Insider Trading Prevention Promotion" and "Securities and Exchange Act Article 157-1 Insider Trading and Material Information Assessment" related courses for internal employees from December 9 to 27, 2024. The scope included employees from Bora, Excelsior, PharmaCore, PharmaEssence, KingTek, Bora United, and Morning Glory companies. This training program had 1,019 participants, with employees investing approximately 169 hours in total, achieving a 100% assessment pass rate. The implementation status of insider trading prevention in 2024 was reported to the Board of Directors on November 13, 2024.	No material deviation
III. Board compositions and responsibilities				
(I) Has the board of Directors developed and implemented a diversified policy for the composition of its members?	✓		(I) For the board's diversity policy and implementation, please refer to "II.I.(A). The Diversity and Independence of the Board of Director and "The Succession Plan for the Board Member and Managers" (page 27-30)	No material deviation
(II) In addition to remuneration committee and audit committee established according to law, has the company voluntarily established other functional committees?	✓		(II) The Company has stipulated in its Articles of Incorporation that the Board of Directors may establish other functional committees as needed for business operations, and shall formulate relevant organizational regulations for each committee, which shall be approved by resolution of the Board of Directors. In addition to the Remuneration Committee and Audit Committee, to promote ESG development and implementation, the Company established the Sustainability Committee by resolution of the Board of Directors on March 9, 2022, appointing three committee members with Chairman Sheng Pao-Shi serving as the Chairman of the first committee. In line with the re-election of all Directors upon expiration of their terms, on June 27, 2023, the Board of Directors discussed and resolved to approve the reappointment of Chairman Sheng Pao-Shi, independent Director Li Yi-Chin, and Director Chen Shin-Min as the three Directors to continue serving on the second Sustainability Committee. The Company resolved at the Board of Directors meeting on October 18, 2024 to add one independent Director to the Sustainability Committee, resulting in half of the committee members being independent Directors, strengthening the Board of Directors' review and supervision of the Group's sustainable development. On November 11, 2025, the Board of Directors resolved to appoint Ms. Nadiya Chen, Senior Manager of Investor Relations, to the Sustainability Committee to strengthen the Board's engagement in sustainability, carbon reduction strategies, and information disclosure.	No material deviation
(III) Did the company stipulate regulations for performance evaluation of the board, and its evaluation method, and conduct performance evaluation on a yearly basis, and submit the performance evaluation results to the board of Directors and use them as reference in determining compensation for individual Directors, their nomination and additional office term.	✓		(III) The Company has established the Board of Directors Performance Evaluation Regulations and its evaluation methods as required, which have been formally implemented since 2020, and the evaluation results serve as references for determining individual Directors' remuneration and nomination for reappointment. The evaluation results of Board members, the Board of Directors, Audit Committee, Remuneration Committee, and Sustainability Development Committee for 2025 were reported to the Board of Directors on March 11, 2026, to help the Board understand its operational performance and continuously track improvements. For detailed evaluation information, please refer to "Corporate Governance Operation" section "(1) Board of Directors Operations" (pages 48–53) in this annual report.	No material deviation
(IV) Did the company regularly implement assessments on the independence of the certified public accountants?	✓		(IV) The Company has established criteria for evaluating the independence of CPAs based on the requirements of the Republic of China CPA Professional Ethics Bulletin No. 10 "Integrity, Fairness, Objectivity, and Independence" regarding independence, and regularly evaluates the independence of the certifying CPAs every year. The Company has obtained the independence declaration issued by the certifying CPAs for 2025 and conducted an evaluation according to the aforementioned independence evaluation criteria. Based on the evaluation results, CPAs Mink Hu and Jemmy Yao of Ernst & Young both meet the Company's independence evaluation criteria and are qualified to serve as the Company's certifying CPAs. The CPA independence evaluation criteria are detailed in Note 1.	No material deviation
IV. Does the TWSE/TPEx listed company have an adequate number of corporate governance personnel with appropriate qualifications, and appoint a chief corporate governance officer to be in charge of corporate governance affairs (include but not limited to furnishing information required for business execution by Directors and supervisors, assisting Directors and supervisors with legal compliance, handling matters relating to board meetings and shareholders meetings according to laws, producing minutes of board meetings and shareholders meetings, etc.)?	✓		(I) Appointment of chief corporate governance officer The Company continues to promote and implement corporate governance to strengthen Board functions and safeguard shareholders' rights. Ahead of regulatory requirements, the Board of Directors approved on August 8, 2025 the appointment of Mr. Kang Huang-Cheng as Head of Corporate Governance, the highest-ranking officer responsible for corporate governance matters. Senior Manager Kang has more than three years of experience serving in supervisory roles in legal, finance, shareholder services, or corporate governance functions at publicly listed companies or above, and meets the qualifications for the corporate governance officer position. (II) Scope of duties and powers Main duties include supervising and executing the establishment and operation of corporate governance related rules and regulations, including handling of matters relating to board of Directors meetings and shareholders meetings in compliance with law, reviewing and preparation of minutes of board of Directors meetings and	No material deviation

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td></td><td></td><td></td><td>shareholders meetings, assisting in onboarding and continuing education of the Directors, providing information required for performance of duties by the Directors, assisting Directors in complying with the laws and regulations, and report to the Board on the qualification of the independent Director during nomination, election, and tenure..
(III) Continue education
The total continuing education hours for 2025 were 24 hours, with the following courses:
<table>
<tr><th>Item No.</th><th>Training Date</th><th>Course Name</th><th>Hours</th><th>Notes</th></tr>
<tr><td>1.</td><td>August 22, 2025</td><td>2025 Taishin Shin Kong Net-Zero Summit Forum</td><td>3</td><td>Note 1</td></tr>
<tr><td>2.</td><td>October 2, 2025</td><td>A New Perspective on Corporate Governance in 2026 – Embracing Change</td><td>3</td><td>Note 2</td></tr>
<tr><td>3.</td><td>October 3, 2025</td><td>44th Insider Trading Prevention Awareness Seminar</td><td>3</td><td>Note 3</td></tr>
<tr><td>4.</td><td>October 15, 2025</td><td>ESG and Sustainable Investment Forum</td><td>3</td><td>Note 4</td></tr>
<tr><td>5.</td><td>October 16, 2025</td><td>15th Taipei Corporate Governance Forum</td><td>6</td><td>Note 5</td></tr>
<tr><td>6.</td><td>November 21, 2025</td><td>2025 Legal Compliance Seminar on Insider Equity Transactions</td><td>3</td><td>Note 3</td></tr>
<tr><td>7.</td><td>December 5, 2025</td><td>New Approaches to Corporate Hedging: Addressing Exchange Rate Challenges and Asset Management Trends</td><td>3</td><td>Note 3</td></tr>
</table>
Note 1: Chinese National Association of Industry and Commerce
Note 2: Taiwan Investor Relations Institute.
Note 3: Securities and Futures Institute.
Note 4: Taiwan Stock Exchange and Taipei Exchange.
Note 5: Financial Supervisory Commission</td><td></td></tr>
<tr><td>V. Has the company set up channels of communication for stakeholders (including but not limited to shareholders, employees, customers and suppliers), dedicated a section of the company's website for stakeholder affairs and adequately responded to stakeholders' inquiries on significant corporate social responsibility issues?</td><td>✓</td><td></td><td>The Company has a spokesperson and deputy spokesperson as channels of communication for stakeholders. The Company values the interest of the stakeholder and works to develop an open, transparent, effective communication channel to move toward a sustainable future.
(I) Identification on the stakeholder
The Company adhere to the resposonsbility and mission of sustainable corporate governance. On the official website, the Company set up the stakeholder communication email and identified operating related stakeholder, including investor, employee, supplier, government, and research institution. The Company communicates to stakeholder with different topic which stakeholder concern. Starting in 2022, the implementation of ESG project focuses on effective communication with stakeholder, strengthen the communication, and ensure to reply different group of stakeholder's concern. The stakeholder communication report will submit to the board of Director annually.
(II) For main stakeholder communication, please refer to below note 2.
(III) Stakeholder communication platform:
Besides main stakeholder, the Company maintains good communication with stakeholder and has set up the external communication email on the Company's website for diverse communication channel.
The status of stakeholder communication for the year 2025 was reported to the Board of Directors on November 11, 2025.</td><td>No material deviation</td></tr>
</table>

<table>
<tr><th rowspan="2">Evaluation items</th><th colspan="3">Implementation status</th><th rowspan="2">Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons</th></tr>
<tr><th>Yes</th><th>No</th><th>Summary</th></tr>
<tr><td>VI. Did the company engage a professional shareholder services agent to handle shareholders meeting matters?</td><td>✓</td><td></td><td>The Company has engaged the Stock-Affairs Agency Department, Taishin Securities Co., Ltd. to handle matters relating to shareholders meeting.</td><td>No material deviation</td></tr>
<tr><td>VII. Information disclosure
(I) Has the company set up a website to disclose information regarding the company's financial operations and corporate governance?</td><td>✓</td><td></td><td>(I) The Company has set up an Investors corner on the website to disclose information relating to financial operations and corporate governance.
Website: https://bora-corp.com/</td><td>No material deviation</td></tr>
<tr><td>(II) Did the company adopt other information disclosure methods (such as establishing English websites, assign dedicated personnel to collect and disclose company data, implement the spokesperson system, upload the investor conference processes to the company's website, etc.)?</td><td>✓</td><td></td><td>(II) In accordance with the competent authority and relevant laws and regulations, The Company makes public announcements and declarations of the various information, has set up Chinese and English websites, assigned dedicated personnel to collect and disclose Company data and implements the spokesperson system, and uploads the investor conference processes to the Company's website, to enable shareholders to obtain material information and events information from the Market Observation Post System and the Company's website.</td><td>No material deviation</td></tr>
<tr><td>(III) Does the Company publish and report its annual financial report within two months after the end of a fiscal year, and publish and report its financial reports for the first, second and third quarters as well as its operating status for each month before the specified deadline?</td><td></td><td>✓</td><td>(III) The Company currently reports and publishes its annual financial report within the deadline stipulated in the Securities and Exchange Act, and has not published and reported the financial report within two months after the end of a fiscal year. In the future, it will adjust its reporting date based on the closing of the accounts.</td><td>Evaluating</td></tr>
<tr><td>VIII. Is there any other important information to facilitate a better understanding of the state of implementation of corporate governance (including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, continuing education of Directors and supervisors, the implementation of risk management policies and risk evaluation standards, the implementation of customer relations policies, and purchasing insurance for Directors and supervisors)?</td><td>✓</td><td></td><td>1. Employees' rights and employee care: The Company always values labor-management relations, treats its employees with integrity, and safeguards the legitimate rights and interests of its employees in accordance with the Labor Standards Act; and through the employee welfare system and a good education and training system, it allows the employees to contribute through their jobs.
2. Investor relations: The Company's biggest goal is to protect the rights and interests of the shareholders, and treat all shareholders equitably. Besides publishing the Company's material information such as finances, operations and changes in insider shareholdings through the Market Observation Post System in a timely manner in accordance with the law, an Investors corner is also set up in the Company's website to provide timely disclosure of the Company's finances, operations, and corporate governance. The minutes of the Company's annual general shareholders' meeting are recorded in accordance with the Company Act and relevant laws and regulations, and published in the Company's website and retained for the duration of the existence of the Company.
3. Supplier relationship: The Company establishes close long-term relationship with suppliers based on win-win principle, in the aim to achieve mutual trust and mutual benefit, and together pursue sustainable growth.
4. Rights and interests of stakeholders: The Company value stakeholders' right and has set up communication channel with stakeholder to ensure stakeholder may communicate and make recommendations to the Company to safeguard their legal rights.
5. Status of Directors' continuing education: The Company's Directors possess relevant professional knowledge, and in accordance with the relevant laws and regulations, attend courses related to securities regulations. Has disclosed under Corporate Governance of the Market Observation Post System (http://mops.twse.com.tw/mops/web/t100sb07).</td><td>No material deviation</td></tr>
</table>

Evaluation items	Implementation status			Deviations from Corporate Governance Best-Practice Principles for TWSE/TPEx Listed Companies and reasons
	Yes	No	Summary	
			6. State of implementation of risk management policy and risk assessment standards: The Company has established an internal control system to prevent any possible risks, and the audit unit conducts regular and occasional checks on the execution and improvement of the internal control system. The Company has also purchased various business related insurances, such as fire insurance, theft insurance, product liability insurance and employees' group insurance, etc. to reduce various types of risks. 7. Status of implementation of customer policies: The Company maintains stable and good relationship with customers, and upholds the policy of putting customer first, to generate profit for the Company. 8. Status of purchase of liability insurance for Directors and supervisors: The Company has since June 27, 2014, purchased liability insurance for its Directors and independent Directors so as to strengthen the protection of shareholders' rights and interests. The status of purchase of liability insurance for all Directors in 2025 are as follows:	

Insurance Subject	Insurance Company	Insurance Period (From/To)	Insurance Amount (NT$)
All Directors	Taiwan Branch, Chubb Insurance	From: July 27, 2024 To: July 27, 2025	US$15,000,000 (NT$4422,800 thousand, at the exchange rate of 29.52)

IX. Please describe the improvement status and provide the items and measures that shall be prioritized for improvement with regard to the corporate governance evaluation results issued by the Corporate Governance Center of Taiwan Stock Exchange in the most recent year. (not required as the Company is not an assessed company):

1. The Company has established "Bora Pharmaceuticals Co., Ltd. Corporate Governance Best Practice Principles", which has been passed in a resolution of the board, by referencing "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies", to uphold the spirit of corporate governance, thereby maximizes the rights and interest for the shareholders and pursues the Company's sustainable operation. There are no significant differences between Company's state of implementation of corporate governance and "Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies".
2. The Company ranked within the top 6–20% of listed companies in the 12th Corporate Governance Evaluation. The 12th evaluation consisted of 70 indicators in total, of which the Company scored on 62 items and received points for 11 bonus indicators. The priority improvement strategies for items where the Company did not score points are as follows:
With respect to items such as energy management system certification and support for cultural development, the Company will sequentially implement improvements for items where no score was obtained. The energy management system is currently under evaluation for implementation by a dedicated unit. Upon completion of certification and implementation, the results will be submitted to the Sustainability Committee, and potential improvement measures will continue to be assessed.

Note 1: Most recent year's independence evaluation standard for certified public accountants:

Evaluation items	Evaluation results	Compliance of independence
1. Does the accountant have a direct or material indirect financial interest in the Company?	No	Yes
2. Have the accountant received a loan or guarantee from the Company or the Company's Directors?	No	Yes
3. Does the accountant have a close business relationship and potential employer-employee relationship with the Company?	No	Yes
4. Is the accountant or audit committee member currently holding or has in the past two years held, a position in the Company as Director or managerial personnel, or a position that has a significant impact on the audit work?	No	Yes
5. Has the accountant provided the Company with non-audit related services that may directly impact the audit work?	No	Yes
6. Has the accountant acted as an agent of shares or other securities issued by the Company?	No	Yes
7. Has the accountant acted as a defender of the Company or represented the Company in mitigating a dispute with a third party?	No	Yes
8. Is the accountant a relative of the Company's Director, managerial personnel, or personnel whose position has a significant influence on the audit?	No	Yes

Note 2: Communication to main stakeholders:

Stakeholder	Communication Channel, Respond, and Frequency of Communication	Communication Performance in 2025
Employee	- Department communication and working meeting (daily) - Site meeting (weekly) - Internal newsletter (monthly) - Townhall meeting (quarterly) - Labor and management meeting (quarterly) - Labor dafety committee (quarterly) - Performance review (yearly) - Safety and health training (yearly) - Employee welfare committee (yearly) - Renumeration committee (yearly) - Employee training (irregularly) - Employee opinion and complain email box (immediately) - Internal website (irregularly)	• Hold four employee town hall meetings which the chairman announced major Company policies and updates. • Hold four labor-management meetings • Employee health check coverage of 100% • Hold Bora Family Day, with a total of 1,296 employees and family members participating. • 12 Monthly internal communication newsletter • Setup the reporting platform for employees and suppliers
Investor	- Stockholder meeting (yearly) - Earnings call (Quarterly) - Investor conference (irregularly) - Announce financial report (quarterly) - Announce operating performance (monthly) - Disclose the Company's main financial and business information on MOPS (irregularly) - Established spokesman, deputy spokesman and news contact window (immediately) - Established investor relationship email and contact window (immediately)	• Hold 1 shareholders' meeting. • Hold 9 investor conferences. • Hold 16 investor meetings. • Disclose 111 material information
Customer	- Customer service email (immediately) - Website and social platform for professional information (irregularly) - Newsletter (irregularly)	CDMO business • 40 global customer visit the production site Pharma Business • Conduct 287 prescription drug and 623 consumer product complaintsSince 2024, a total of six product complaints have been received, all of which have been resolved with no adverse impact. • Conduct 10,42 adverse event notification. Submit 663 cautionary 15 day reports and 251 non-cautionary 15 day report. Maintain a 99.55% and 98.01% on time rate.
Supplier	- MRO item will purchase and inquire the purchase flow (irregularly) - Purchase raw material with qualified supplier (irregularly) - According to PIC/S regulation, suppliers shall be audited to understand the suppliers' compliance. The audit frequency shall be evaluated based on the audit result and risk evaluation.	• In 2024, the Company completed evaluations of non–raw material suppliers and issued comprehensive reports, assessing each supplier based on operational continuity and management performance as a basis for future cooperation decisions. In the same year, audits of all GMP-related suppliers were also completed. Meetings have been held with relevant departments to establish the standards and implementation approach for a Supplier Code of Conduct. • The above provisions and principles have been incorporated into order terms, new supplier information forms, and SOPs, and corresponding revisions and implementation are currently in progress.
Community	- Community service activities (at least once per plant per year) - Charity events (at least one in each market each year) - Company website (at once) - Social media platform (at once)	• Blood donation to foundation • Participate the education for rural area • Sponsor the children organization • Launch Podcast to promote youth mental health issue • Cash sponsorship from employee for Hualien earthquake
Government	- Regulatory compliance meetings (upon request) - Policy briefing (upon request) - Official correspondence(upon request) - Official visits and audits (According to government arrangements) - MOPS (at once)	• Participated the government meeting and stay informed of the policy developments • Cooperatate with the government on the audit • Disclose the material information to ensure the transparency

(IV) If the company has set up a Remuneration commiffee, its composition, responsibilities and operations shall be disclosed:

1. Remuneration commiffee member profiles

Position	Criteria / Name	Professional qualifications and working experience	Independence status	Number of other public companies in which the member also serves as a member of their remuneration committee
Independent Director	Lee Yi-Chin Independent Director (Convener of the 5th Committee)	For the professional qualifications and experience of Directors, please refer to "II, 1, (A) Information of Directors" (pages 14–24) of this annual report.	All renumeration committee member comply with the following 1. Comply with the renumeration committee guideline for public and listed company issued by Financial Supervisory Commision, please refer to note for the guideline. 2. The person(or using another person's name), my spouse, and minor children do not collectively hold more than 1% of the total issued shares of the company. 3. Did not provide commercial, legal, financial, accounting or related services to the company or any affiliate of the company provider in the past 2 years and receive any interest.	1
Independent Director	Lin Jui-Yi Independent Director (Committee member)			1
Independent Director	Lai Ming-Jung Independent Director (Committee member)			0

Note: There is no such things in the past 2 years before the appointment and during the appointment.

(1) Not employed by the Company or any of its affiliates.

(2) Not serving as a Director or supervisor of any of the Company's affiliated companies (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(3) Not a natural-person shareholder whose shareholding, together with those of his/her spouse, minor children, and shares held under others' names, exceed 1% of the total number of outstanding shares of the Company, or ranks the person in the top ten shareholders of the Company.

(4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the persons in the preceding three subparagraphs.

(5) Not a Director, supervisor or employee of a corporate shareholder who directly holds more than 5% of the total number of issued shares of the Company or is ranked top five in terms of the number of shares held or is designated as a Director or Supervisor of the Company pursuant to Paragraph 1 or 2, Article 27 of the Company Act (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(6) Not a Director, supervisor, or employee of a company with a majority of the company's Director seats or voting shares and those of any other company are controlled by the same person (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(7) Not a Director, supervisor, or employee of a company or institution with the same chairman, president, or equivalent position, or a spouse thereof (this restriction does not apply to Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(8) Not a Director, supervisor, manager, or shareholder holding 5% or more of the shares of a specified company or institution that has a financial or business relationship with the company (this restriction does not apply to specific companies or institutions if they hold more than 20% but less than 50% of the outstanding shares of the Company or Independent Directors in the Company, its parent company, subsidiaries, or subsidiaries of the same parent company which have been appointed in accordance with local laws or laws of the registered country).

(9) Not a professional individual, or an owner, partner, Director, supervisor, or manager of a sole proprietorship, partnership, company, or institution that, provides auditing services to the company or any affiliate of the company, or that provides commercial, legal, financial, accounting or related services to the company or any affiliate of the company for which the provider in the past 2 years has received cumulative compensation exceeding NT$500,000, or a spouse thereof; However, this restriction does not apply to a member of the Remuneration Committee, public tender offer review committee, or special committee for merger/consolidation and acquisition, who exercises powers pursuant to the Securities and Exchange Act or to the Business Mergers and Acquisitions Act or related laws or regulations.

2. Operations of the Remuneration commiffee

(1) The Company's Remuneration commiffee consists of 3 members.

(2) The term of the current (5th) Remuneration Committee: June 6, 2023 to June 5, 2026. In 2025 and up to the printing date of the annual report in 2026, the Remuneration Committee has held 6 meetings (A):

Title	Name	Attendance in person (B)	Attendance by proxy	Actual attendance rate (%) (B/A)	Remarks
Convener of the 5th Committee	Lee Yi-Chin	6	—	100%	Member of the 3rd to 5th Committee; re-elected on June 6, 2023 during the board of Directors re-election.
Committee Member	Lin Jui-Yi	3	3	100%	Member of the 3rd to 5th Committee; e-elected on June 6, 2023 during the board of Directors re-election.
Committee Member	Lai Ming-Jung	6	—	100%	Member of the 1st to 5th Committee; re-elected on June 6, 2023 during the board of Directors re-election.

Other matters that should be recorded:

I. If the board meeting does not adopt or revise the Remuneration Committee's proposals, the board meeting's date, period, motion contents, and resolution decisions as well as the method in which the company handles the Remuneration Committee's opinions shall be disclosed in detail (e.g. if the salary rate adopted by the board committee is superior to that proposed by the Remuneration commiffee, the differences and reasons shall be explained):

(I) Discussions and resolutions of the Remuneration commiffee:

Meeting Date	Discussion Item	Resolution Results
March 5, 2025 1st Remuneration Committee Meeting of 2025	Proposal 1: The proposal for the distribution of the 2024 employees' and Directors' remuneration.	Unanimously approved by all attending members without objection
	Proposal 2: The proposal for the distribution of the 2024 Directors' remuneration.	
	Proposal 3: The proposal for the distribution details of the 2024 manager performance results and employee remuneration.	
	Proposal 4: The proposal for the distribution of the 2024 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers.	
	Proposal 5: The Company's 2025 annual managers' salary adjustment proposal.	
March 14, 2025 2nd Remuneration Committee Meeting of 2025	Proposal 1: Share repurchase of stock option certificates issued by the subsidiary TWi Pharmaceuticals, Inc. (hereinafter referred to as "TWi Pharmaceuticals") in 2022.	Unanimously approved by all attending members without objection
August 8, 2025 3rd Remuneration Committee Meeting of 2025	Proposal 1: ESG performance-linked remuneration indicators for the Company's managers.	Unanimously approved by all attending members without objection
	Proposal 2: Submission for approval of appointing Mr. Kang Huang-Cheng, Senior Manager of the Finance Department, as a managerial officer of the Company.	
	Proposal 3: 2024 first employee stock option certificate allocation to managers.	
	Proposal 4: The Company's 2025 restricted stock award allocation to managers.	
December 16, 2025 4th Remuneration Committee Meeting of 2025	Proposal 1: Promotion and salary adjustment of the Company's Chief Accounting Officer.	Unanimously approved by all attending members without objection
	Proposal 2: The case of the Company's managers' year-end bonuses for 2025.	
	Proposal 3: Transfer of treasury stock to managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees."	
March 11, 2026 1st Remuneration Committee Meeting of 2026	Proposal 1: The proposal for the distribution of the 2025 employees' and Directors' remuneration and the distribution of remuneration to grassroots employees.	Unanimously approved by all attending members without objection
	Proposal 2: The proposal for the distribution of the 2025 Directors' remuneration.	After consultation with all attending committee members, it was resolved that this proposal would be reconsidered following amendments to the relevant regulations.
	Proposal 3: The proposal for the distribution of the 2025 manager performance results and employee remuneration.	After revision in accordance with the opinions of all attending committee members, the proposal was approved without objection.
	Proposal 4: The proposal for the distribution of the 2025 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers.	
	Proposal 5: The Company's 2026 annual managers' salary adjustment proposal.	Unanimously approved by all attending members without objection
	Proposal 6: 2024 first employee stock option certificate allocation to managers.	
	Proposal 7: The Company's 2025 restricted stock award allocation to managers.	
March 31, 2026 1st Remuneration Committee Meeting of 2026	Proposal 1: To revise the policy for Directors' compensation and remuneration.	Unanimously approved by all attending members without objection
	Proposal 1: The proposal for the distribution of the 2025 Directors' remuneration.	

(II) In the most recent year, the Company's board of Directors did not decline to adopt nor modify the recommendations of the Remuneration Committee.

II. If there are objections or reservations by the members that have been recorded in writing during the Remuneration Committee resolution, the Remuneration Committee meeting's date, period, motion content, the opinions of all members, and treatment of the member's opinions must be disclosed in detail: In the most recent year, there were no objections or reservations on record or stated in a written statement from members of the Remuneration Committee.

(V) Fulfillment of sustainable development and the deviations from Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies, and the reason

Evaluation items	Implementation status		Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	Summary	
I. Has the company established corporate governance for sustainable development and promoted sustainable development related workforce authorized by the Board of Directors for managerial personnel to act, and monitored by the Board of Directors?	✓	The Company formally established "Sustainability Committee" through a Board of Directors resolution on March 9, 2022. Such enables the Company to focus more clearly on sustainability issues. The Company's sustainability vision aligns with its mission of "Contributing to Better Health All Over the World," and various sustainability goals to promote economic growth, social development, and environmental protection, with the aim of enhancing competitiveness and exerting positive influence on the pharmaceutical industry, shall be implemented. The Company's "Sustainability Committee" is currently comprised of 4 members, half of whom are Independent Directors. The Committee is chaired by Chairman Sheng Pao-Shi and serves as the highest-level decision-making body for sustainability development within the Company, leading senior executives from various departments to jointly review the Company's operational status. In 2025, the Company convened2 Sustainability Committee meetings. Key matters reviewed included the establishment of short-, medium-, and long-term ESG objectives, approval of the sustainability report (including stakeholder communication and materiality assessment), and reports on sustainability-related operations. The relevant meeting content was reported to the Board of Directors on May 14 and November 13 of the same year. The Executive workforce of the "Sustainability Committee" serves as a cross-departmental communication platform that integrates vertical and horizontal connections. Four task forces have been established to address different issues: Corporate Governance, Sustainable Drug Supply, Employee Welfare and Community Development, and Environmental Sustainability. These task forces identify sustainability issues relevant to the Company's operations and stakeholder concerns, formulate corresponding strategies and work guidelines, allocate sustainability-related planning to each organization, implement annual programs, and track execution effectiveness to ensure that sustainability development strategies are fully integrated into the Company's daily operations. The "Sustainability Committee" reports to the Board of Directors at least twice a year based on work progress regarding sustainability development implementation results and future work plans. Its main responsibilities include: (1) Establishing sustainability development goals, strategies, and directions, and formulating management policies and specific implementation plans. (2) Collection of data on annual goals and implementation status for various aspects of sustainability development. (3) Tracking, reviewing, and revising the implementation status and effectiveness of sustainability development. (4) Other sustainability-related matters resolved by the Board of Directors.	No material deviation
II. Did the company evaluate the risk related to the environment, social and corporate governance for the Company's operation and formulate related risk control policy and strategy?	✓	The Company has published the 2024 Sustainability Report, covering Bora Pharmaceuticals and its subsidiaries in Taiwan, as well as its overseas facility in Canada. The scope of the 2025 sustainability report will expand to all subsidiaries within Bora Group consolidated under financial statements. The Company operates under a multi-faceted stakeholder questionnaire with reference to domestic and international industry reports and literature answered by senior executives and colleagues. By analyzing the results, the Company understands the issues of concern from stakeholders and evaluates them according to materiality core to the Company's businesses. We have also incorporated opinions of line managers and integrated these opinions into the assessment results of sustainability risk identifications. Based on this, the Company formulates sustainability issue management approach, establishes supervision and risk-control management policies, and adopts relevant action plans to mitigate negative impacts. In preparing 2025 Sustainability Report, the Company not only evaluated materiality based on the disclosure framework for sustainability development reports issued by the Global Reporting Initiative (GRI) but also referred to the "double materiality" sustainability concept of the European Sustainability Reporting Standards (ESRS). When assessing material topics, the Company simultaneously considered both "impact materiality" and "financial materiality," and shall establish relevant management policies based on the related risks of the material topics. Please refer to the 2025 Sustainability Report for details. As of the publication date of this annual report, the Company has not yet completed the preparation of the Sustainability Report for the year 2025. Publication announcement will be made upon completion with full disclosures on the Company's website as required by regulations.	No material deviation
III. Environmental Issues (I) Has the company established an appropriate environmental management system based on the characteristics of the industry to which it belongs?	✓	(I) The Company is a PIC/S GMP certified pharmaceutical manufacturer andhas established production related management systems. All waste generated during production is handled strictly in accordance with standard operating procedures and disposed of with the assistance of professional external waste handling vendors. In addition, the Company has a water pollution prevention permit as required by law and has designated personnel to handle related matters. Bora Pharmaceuticals Co., Ltd. (the parent company) has been qualitifed and certified of ISO 14001:2015 Environmental Management System during the year. The validity period of this certification is from December 4, 2025 to December 3, 2028. In 2024, the Company has completed greenhouse gas inventory and assurance for its Taipei headquarters, Zhunan site, Tainan site, Zhongli site, Taoyuan site, Canada site, and subsidiary Sunway Biotech. The Company has also established short-, medium-, and long-term greenhouse gas emissions targets. These targets have been reviewed by the Sustainability Committee and reported to the Board of Directors on November 13, 2025, as implementation of the environmental management cycle.	No material deviation
(II) Is the Company committed to energy efficiency improvement and adopting recycled materials which have a lower impact on the environment?	✓	(II) The Company is committed to improving its energy efficiency as it mainly engages in the research and development and sales of pharmaceutical products and nutraceuticals, and the manufacturing and contract manufacturing of pharmaceutical products. Being a low energy -consuming and low-polluting industry, and regulations strictly limit the production and use of renewable materials that impact environmental load. The Company continues to promote and implement energy reduction measures. In the future, when certain equipment approaches end of useful life, the Company will evaluate high energy-efficiency alternatives to optimize energy efficiency. At the same time, Bora Pharmaceuticals Co., Ltd. (the parent company) plans for ISO 50001 qualification in 2026 to further strengthen energy management.	
(III) Does the Company assess the potential risks and opportunities of climate change for its current and future operations and undertake response measures with respect to climate change?	✓	(III) The Company's management team periodically assesses potential risks and opportunities of climate change, and follows the Task Force on Climate-related Financial Disclosures (TCFD) framework to report relevant risks to the Sustainability Committee. The Committee formulates appropriate response measures for each open issue and develops business continuity plans following the Business Continuity Management (BCM) system mechanism. Detailed explanations of climate change risk analysis and management are set forth in the Company's 2024 and 2025 Sustainability Report. Furthermore, to comprehensively understand the impact of climate change-related risks and opportunities, the Company drives climate change management and regularly reports risks and opportunities to the Board of Directors as sound tracking and supervision implementation. Detailed descriptions of climate change risk analysis and management mechanisms mentioned above will be included in the 2025 Sustainability Report. However, as of the publication of this annual report, the Company has not completed the 2025 Sustainability Report. Publication announcement will be made upon completion with full disclosures on the Company's website as required by regulations.	
(IV) Does the company calculate the amount of greenhouse gas emission, water consumption, and waste production in the past two years and implement policies to cut down energy and water consumption, carbon and greenhouse gas emission, and waste production?	✓	(IV) The Company and its CDMO network and subsidiaries (Zhunan site, Tainan site, Zhongli site Taoyuan site and Canada site), as well as the Taipei headquarters, have commissioned a third-party institution to conduct the ISO 14064 (Scopes 1 to 3 inventory) verification for 2024. On a side note, according to the "Sustainability Roadmap for Listed Companies" issued by the Financial Supervisory Commission in March 2022, the Company is currently classified as a Category C company (i.e. a non-steel, non-cement industry with paid-in capital below NT$5 billion). And yet in accordance with Taipei Exchange Letter No. 1110200505, the Company is required to complete its greenhouse gas inventory by 2026 and greenhouse gas verification by 2028. The Company has thus took a step forward and completed the greenhouse gas inventory for the Group (including Taipei headquarters, Zhunan site, Tainan site, Zhongli site, Taoyuan site and Canada site) on July 29, 2024. The verification report was issued by Crowe (TW) CPAs on June 4, 2025, and has been submitted to the Board of Directors for acknowledgment in accordance with the	

Evaluation items	Implementation status		Deviation from sustainable development for TWSE/TPEx Listed Companies, and the reasons
	Yes	Summary	
		to the Board of Directors for acknowledgment in accordance with the requirements of the competent authority. The 2025 plan further expands the greenhouse gas verification boundary to include all facilities of the Group, expected to cover the Baltimore and Maple Grove sites in the United States. The Company aims to reduce group-wide per capita water consumption by 3% by 2030 compared with the baseline year of 2024. The greenhouse gas emissions, water consumption, and total waste weight for the past 2 years, as well as related policies on greenhouse gas reduction, water conservation, and other waste management, are detailed in the Company's 2024 and 2025 Sustainability Reports. However, as of the publication of this annual report, the Company has not completed the 2025 Sustainability Report. Publication announcement will be made upon completion with full disclosures on the Company's website as required by regulations.	
IV. Social Issues (I) Has the company referred to relevant laws and international human rights instruments to stipulate relevant management policies and procedures?	✓	(I) The Company complies with the relevant regulations of the labor law, and has established working rules and complete personnel management regulations, and respect internationally recognized human rights of labor, including freedom of association, collective bargaining rights, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, etc., to safeguard the rights and interests of the employees. The basic salary, working hours, leave, pension, payment of labor and health insurance, compensation for occupational accidents, etc., of the staffs employed by the Company comply with the relevant regulations of Labor Standards Act. Related information please refer to the Company's website.	No material deviation
(II) Has the company established and offered proper employee benefits (including compensation, leave, and other benefits) and reflected the business performance or results in employee compensation appropriately?	✓	(II) The Company has established relevant welfare measures for the welfare and rights and interests of the employees, and upon discussion with the management, reflect the Company's yearly operating performance or results in the employee compensation appropriately. Related information please refer to the Company's website.	No material deviation
(III) Has the company provided a safe and healthy working environment and provided employees with regular safety and health training?	✓	(III) The Company provides the employees with comfortable, safe and healthy working environment, include implementing necessary access control measures, conducting regular occupational safety and health education and training, banning smoking indoors and setting up staff canteen in the facility, etc. The Company pays high attention to the safety of the employees, where half-yearly fire and evacuation drills are conducted in the plants, and all employees receive fire-fighting training every year. There were no major occupational accidents or casualties in the past three years. Pertaining to the employees' health, besides providing annual medical checkup for the employees, the Company also allows employees to purchase the Company's health products at a discounted price. The Company convenes labor-management meetings and sets up a staff welfare committee in accordance with the law. Through meetings with the employees, it establishes a channel for regular communication with employees, allowing employees to obtain information and have the right to express opinions on the Company's operation and management activities and decisions, thereby promote a harmonious labor-management relationship and create a mutual benefit and win-win situation.	No material deviation
(IV) Has the company set up effective career development and training programs for its employees?	✓	(IV) The Company provides an excellent career building environment and establishes effective career and competence development and training program for the employees, in the aim to increase the competitive advantage of the employees and corporate competitiveness.	No material deviation
(V) Does the Company comply with relevant regulations and international standards regarding customer health and safety, right to privacy, advertising and labeling of its products and services and establish relevant consumer protection policies and complaint procedures?	✓	(V) To safeguard consumer rights and provide various services and information, the Company has established a toll-free customer service hotline (0800-369-008) in Taiwan. A comprehensive complaint handling process is in place, with dedicated personnel assigned. Responsible units formulate handling procedures and service timelines, track implementation effectiveness, and continuously enhance service processes.	No material deviation
(VI) Has the company formulated supplier management policies that require suppliers to comply with relevant regulations on environmental protection, occupational safety and health, and labor rights and request their reporting on the implementation of such regulations?	✓	(VI) The Company has established "Supply Chain Code of Conduct," encouraging suppliers to follow guidelines in 5 major areas: labor rights, health and safety, environmental management, business ethics, and management systems. These guidelines serve as important criteria for supplier evaluation and classification. When selecting suppliers, the Company shall and has, to date, thoroughly considered environmental protection and industry benchmarking environmental safety and health standards of its suppliers. Although the contracts signed do not stipulate concrete handling clauses for violations of corporate social responsibility policies, should a supplier's behavior result in significant impacts on the environment or society, the Company may terminate or rescind the contract at any time. In addition, the Company regularly conducts assessments based on supplier categories. If suppliers are found to be in violation of industry regulations on environmental protection, occupational safety and health, or labor rights, we shall actively seek alternative vendors for timely replacements. In the future, we will continue to develop concrete measures with key suppliers on sustainability-related issues, gradually driving overall supply chain stewardship toward higher standards of sustainable practices.	No material deviation
V. Has the Company, following internationally recognized guidelines, prepared reports such as Sustainability Report to disclose non-financial information? Has the Company received assurance or certification of the aforementioned reports from a third-party accreditation institution?	✓	Our company has completed the 2023 Sustainability Report in accordance with frameworks such as the Global Reporting Initiative (GRI) Standards issued by the Global Reporting Initiative and the Sustainability Accounting Standards Board (SASB). The report has undergone limited assurance by Crowe (TW) CPAs based on Assurance Standard No. 1 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" issued by the Accounting Research and Development Foundation, which has issued an "Independent Assurance Report." The report has been filed in compliance with Article 5 of the "Regulations Governing the Preparation and Filing of Sustainability Reports by TPEx Listed Companies." For 2024, the Company is also following the aforementioned standards in preparing its Sustainability Report and has engaged Crowe (TW) CPAs to provide limited assurance. However, as of the printing date of this annual report, the Company has not yet completed its 2024 Sustainability Report. After the formal Sustainability Report is prepared, the Company will make the required public announcement and filing.	No material deviation
VI. If the Company has established the corporate social responsibility principles based on "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies", please describe any discrepancy between the principles and their implementation: Starting 2021, the Company has been publishing Sustainability Reports, filing ISO14064 GHG inventory, and engaging 3rd party organization for audit for the above mentioned disclosures annually. To implement, the Company's Board of Director approved to establish the sustainability committee on March 9, 2022. The sustainability committee oversees sustainability related matters and continues to update guideline in accordance with "Sustainable Development Best Practice Principles for TWSE/TPEx List Companies". There is no material deviation.			
VII. Other critical information useful for explaining status of corporate social responsibility practices: The Company aims to become a globally recognized pharmaceutical company, providing better quality healthcare services to the world. With dedicated marketing of a strong team, we hope to correctly convey to key medical professionals and patients comprehensive product knowledge. To contirnube to better health over the world and to contribute to industry progress, quality of life guides our everyday operations. On top of our core businesses, the Company believes in giving back to the society and aspires to play a vital part in promoting social welfare. In 2025, the Company has donated a total of NT$2,657 thousand to non-profit organization or institutions to stand by our commitment.			

(VI) Implementation of corporate governance and deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons

Evaluation items	Implementation status		Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	Summary	
I. Establishment of ethical management policies and solutions (I) Has the Company established the ethical corporate management policies approved by the Board of Directors and specified the above-mentioned in its internal rules and external disclosures with regard to implementation by its Board of Directors and senior management?	✓	(I) To establish an ethical corporate culture and strengthens corporate governance and risk control to build a sound operating environment, the Company has established "Ethical Corporate Management Best Practice Principles" and "Codes of Ethical Conduct", stipulating that the Company's Directors, managerial personnel and employees shall comply with the laws and regulations and prevent unethical behavior when conducting business activities.	No material deviation
(II) Has the Company established a risk assessment mechanism against unethical conduct, analyzed and assessed operating activities with higher risk of unethical conducts on a regular basis, and confirmed prevention programs accordingly, which shall at least include the preventive measures specified in Article 7, Paragraph 2 of the "Ethical Corporate Management Best-Practice Principles for TWSE/TPEx Listed Companies?	✓	(II) The Company's internal regulations stipulate that employees, when engaging in commercial activities, shall not directly or indirectly accept any improper benefits. Staff trainings are also conducted from time to time to strengthen the education of importance of integrity.	No material deviation
(III) Has the Company established policies to prevent unethical conduct with relevant procedures, guidelines of conduct, punishment for violation and rules of appeal, implemented the policies, and reviewed the policies on a regular basis?	✓	(III) The Company implements the relevant regulations of corporate governance by establishing regulatory compliance, internal control system and audit system, strengthening the function of the Board of Directors, fulfilling the function of oversight, and increasing information transparency.	No material deviation
II. Implementation of ethical corporate management (I) Has the company evaluated the integrity records of parties it does business with and stipulated ethical conduct clauses in business contracts?	✓	(I) The Company evaluates its trading counterparty by conducting credit investigations on customers and supplier evaluation to prevent unethical business activities, and gradually specifies in the contracts ethical conduct terms with the trading counterparty.	No material deviation
(II) Has the company set up a dedicated unit under the board of Directors to promote ethical corporate management and regularly (at least once every year) report to the board of Directors the implementation of the ethical corporate management policies and prevention programs against unethical conduct?	✓	(II) To implement ethical management policy, the Company has established "Ethical Corporate Management Best Practice Principles", "Procedure for Ethical Management and Guidelines for Conduct", "Codes of Ethical Conduct" and "Operating Procedures for Handling Internal Material Information and Preventing Insider Trading". Dedicated units report the state of implementation to the Board of Directors at least once every year, and the relevant regulations are continuously modified and promoted according to regulatory updates. The dedicated units have reported the implementation status to the Board of Directors on November 11, 2025. 1. Set up dedicated unit in promoting ethical management: To fully integrate the planning and promotion of the various activities of corporate governance, the Company passed a board resolution on August 8, 2025, to appoint the Director of Finance & Accounting Division, Kang, Huang-Cheng, as the chief corporate governance officer, responsible for coordinating the various corporate governance activities. The dedicated unit for ethical management is incorporated into the scope of duties of the corporate governance unit, where the chief corporate governance officer will lead the dedicated personnel from the various departments responsible for ethical management promotion.	No material deviation
		2. Scope of duties and authority (1) Incorporating ethics and moral values into the Company's business strategy, and designing and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. (2) Analyzing and assessing the risks of unethical conduct within the scope of operations on a regular basis and designing and adopting programs to prevent unethical conduct accordingly. Setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business. (3) Designing internal org chart, reporting structure, and allocation of responsibilities and building check-and-balance mechanisms for mutual supervision of the business activities within the scope of operations which could be exposed to higher risk for unethical conducts. (4) Promoting and coordinating awareness and educational activities with respect to ethics policy. (5) Developing a whistle-blow system and ensuring its operating effectiveness. (6) Assisting the Board of Directors and Management in auditing and assessing whether the prevention measures are effective for the purpose of implementing ethical management, and consolidating reports related to regular assessment of compliance with ethical management in operating procedures. (7) Reporting to the Board of Directors qualifications of Independent Directors nomination, appointment, and tenure periods to ensure compliance with relevant laws and regulations, and handling matters related to changes in the Board of Directors accordingly.	
(III) Has the company established policies to prevent conflict of interests, provided appropriate channels for filing related complaints and implemented the policies accordingly?	✓	(III) The recusal system for Directors is specified in the Company's "Rules of Procedure for Board of Directors Meetings". The Directors shall uphold a high level of self-discipline and when a proposal at a Board meeting concerns the personal interest of, or the interest of the juristic person represented by any of the Directors, and is likely to prejudice the interest of the Company, the Director may state his or her opinion and answer queries, may not participate in discussion of or voting on the proposal, shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another Director.	No material deviation
(IV) Has the company established effective accounting systems and internal control systems to implement ethical corporate management and designated its internal audit unit, based on the results of assessment of the risk of involvement in unethical conduct, devise relevant audit plans and audit the compliance with the prevention programs accordingly or commissioned a certified public accountant to conduct the audit?	✓	(IV) The Company has established and implemented internal control system. The internal auditors regularly review state of compliance and prepare audit reports to be submitted to the Board of Directors. In addition, to ensure that the system and execution remains effective, the Company conducts annual review and pinpoints modifications to establish sound corporate governance and risk control system, which serves as basis for assessing the effectiveness of the overall internal control system and preparation of the internal control system statement.	No material deviation
(V) Has the Company held internal and external training sessions on ethical operations regularly?	✓	(V) The Company promotes ethical management to all employees through on-boarding orientation and multiple regulatory awareness training regularly. The Company has established the Bora Group Code of Conduct in bilingual versions, available on the Company's intranet for all colleagues to reference. In addition to the 782 integrity declarations signed in 2023, 214 new employees were trained and signed the declaration by October 31, 2024, achieving a 100% signing rate across the Group. To implement core value of integrity, provisions on insider trading prevention and confidentiality protocols have been incorporated into the "Ethical Management Code" and effectively linked with promotion, educational training, the signing of integrity declarations, and whistleblowing measures. The aforementioned regulations and code were approved by the Board of Directors on March 16, 2023, and reported at the General Meeting of Shareholders on June 6, 2023. The	No material deviation

Evaluation items	Implementation status		Deviation from Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons
	Yes	Summary	
		revised regulations have been posted on both internal and external websites for reference by all employees and stakeholders. To strengthen the awareness of ethical management, employees should participate in online tests regarding insider trading. New employees shall read the materials and submit their responses directly through an online platform to stay informed and aware. In 2024, a total of 169 hours of training on ethical behavior and integrity management were conducted for all employees of the Group.	
III. Implementation status of the Company's whistle-blowing system (I) Has the Company established a clear, understandable "whistle-blow and reward" system and designated appropriate personnel to handle investigations against wrongdoers?	✓	(I), (II), and (III): The company has established "Code of Conduct," "Code of Ethics," "Employee Rewards and Punishments Regulations," and various personnel management regulations. After the completion of investigations, appropriate follow-up measures would be taken.	No material deviation
(II) Has the Company established standard operating procedures for investigation of reported issues, follow-up measures to be adopted post investigation, and relevant confidential mechanisms?	✓	The Group's Code of Conduct and Ethical Corporate Management procedures include procedures for reporting violations of ethical conduct, along with mechanisms for anonymous reporting and whistleblower protection. In addition to a reporting mailbox, the Company has established a whistleblowing and grievance platform on its official website to ensure confidentiality and security throughout the reporting process. A designated unit is responsible for coordinating follow-up investigations and responses. In 2025 and up to the publication date of this annual report, a total of seven whistleblowing cases were received. Of these, four cases were formally investigated and appropriately handled and closed, while three cases remain under investigation. No other complaints or reports of unethical conduct or suspected insider trading violations were received.	No material deviation
(III) Did the Company disclose the content and effectiveness of its ethical management management principles on the corporate website and the Market Observation Post System?	✓		No material deviation
IV. Enhance information disclosure (I) Did the company disclose the content and effectiveness of its ethical management management principles on the company's website and the Market Observation Post System?	✓	The Company has put up the "Ethical Corporate Management Best Practice Principles", "Procedures for Ethicals Management and Guidelines for Conduct" and "Codes of Ethical Conduct" in the Company's website, under Investors/Corporate Governance/Important Company Regulations.	No material deviation
V. If the Company has established Ethical Corporate Management Principles in accordance with the "Ethical Corporate Management Best Practice Principles for TWSE/TPEX-Listed Companies", describe any discrepancy between the principles and their implementation: The Company has established "Ethical Corporate Management Best Practice Principles", and there is no significant difference between actual operations and the principles. In the future, we will continue to incorporate Ethical Corporate Management Best Practice Principles into the various operational aspects.			
VI. Other key information useful for explaining the Company's implementation of ethical corporate management: The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage Directors, Managers, and employees to bring forth suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving stronger ethical management.			

(VII) Other important information to facilitate better understanding of the state of implementation of corporate governance:
Please refer to "(III) The State of Implementation of Corporate Governance and its deviations from Corporate Governance Best Practice Principles for TWSE/TPEx Listed Companies, and the reasons – VIII"

(VIII) Status of implementation of internal control system
1. Internal Control System Statement: Please refer to page 108-109.
2. If the internal control system review is conducted by commissioned accountants, the said accountant's review report shall be disclosed: Please refer to page 102-103.

Bora Pharmaceuticals Co., Ltd.
Internal Control System Statement

Date: March 11, 2026

The Company's 2025 Statement of Internal Control System, based on self-assessment results, is as follows:

I. The Company recognizes that the establishment, execution, and maintenance of its internal control policies are the responsibilities of the Company's board of Directors and managerial personnel; such policies have been implemented throughout the Company. The objective is to provide reasonable assurances that the goals of operational effectiveness and efficiency (including profitability, performance, asset security, etc.), financial report reliability, timeliness, transparency, and regulatory compliance will be achieved.

II. There are inherent limitations to even the most well-designed internal control system. As such, an effective internal control system can only reasonably ensure the achievement of the three aforementioned goals. The efficacy of the internal control system will also change with the changing environment or circumstances. However, self-supervision measures were implemented within the Company's internal control policies to facilitate immediate rectification once procedural flaws have been identified.

III. The Company determines the effectiveness of the design and implementation of its internal control system in accordance with the items in "Regulations Governing Establishment of Internal Control Systems by Public Companies" (hereinafter referred to as the "Governing Regulations") that are related to the effectiveness of internal control systems. The criteria introduced by the "Governing Regulations" cover the process of management control and consist of five major elements, each representing a different stage of internal control: 1. Control environment, 2. Risk assessment, 3. Control operations, 4. Information and communication, and 5. Monitoring operations. Each component also comprised several items. Please refer to "Governing Regulations" for details.

IV. The Company has adopted the items for determining internal control systems in order to evaluate the effectiveness of its internal control system design and implementation.

V. Based on the aforementioned evaluation results, the Company believes that the design and execution of its December 31, 2025 internal control system (including those adopted for supervision and management of subsidiary branches) are effective in terms of understanding of operational effectiveness, level of efficiency fulfillment, financial reporting reliability, timeliness, transparency, and regulatory compliance-related internal control system items; and that the Company can reasonably achieve the aforementioned goals.

VI. This statement of declaration shall be the primary content of annual report and prospectus, and shall be made available to the public. Should any of the aforementioned disclosure contents be fictitious or concealed in an illegal manner, the company shall bear legal responsibilities pursuant to Articles 20, 32, 171, and 174 of the Securities Exchange Act.

VII. This Statement was approved by the board on March 11, 2026 where none of the 7 attending Directors expressed dissenting opinions, and the remainder all affirmed the content of this Statement.

Bora Pharmaceuticals Co., Ltd.
Chairman: Sheng Pao-Shi
General Manager: Sheng Pao-Shi

(IX) Any penalties imposed upon the Company or internal personnel by laws, or punishment imposed by the Company on internal personnel for violation of the Company's internal control system regulations, major defects and corrective action thereof in the most recent fiscal year and as of the date of this annual report:

1. Important resolutions of board meetings

Date	Summary of Important Motions	Implementation Status
May 23, 2025 (General Meeting of Shareholders)	1. 2024 Business Report and Financial Statements.	The motion was approved by vote and the resolution is being implemented.
	2. 2024 Earnings Distribution Proposal.	The motion was approved by vote. June 20, 2025 has been set as the ex-dividend date, and cash dividends will be distributed on July 11, 2025.
	3. Proposal for stock dividend distribution through capitalization of earnings	The motion was approved by vote. July 4, 2025 has been set as the ex-dividend date, and stock dividends will be distributed on August 10, 2025.
	4. Proposal for the issuance of restricted employee shares.	Approved by resolution and subsequently approved by the Financial Supervisory Commission for issuance on July 8, 2025.
	5. Amendments to the “Procedures for Acquisition or Disposal of Assets.”	The motion was approved by vote. The registration was approved by the Ministry of Economic Affairs on June 14, 2025 and has been posted on the Company website.
	6. Proposal for releasing Directors from non-competition restrictions.	The motion was approved by vote and the resolution is being implemented.

2. Important resolutions of board meetings

Date	Meeting	Significant Resolutions
March 5, 2025	Board of Directors	1. The Company's 2024 "Statement of Internal Control System" 2. Review of the independence and eligibility assessment of the Company's CPA(s) 3. 2024 Business Report and Financial Statements 4. Distribution of earnings and cash dividends for 2024 5. Proposal for stock dividend distribution through capitalization of earnings 6. Proposal for the issuance of restricted employee shares 7. Implementation status of the Company’s treasury stock 8. Status of the Company’s domestic and overseas unsecured convertible bonds 9. Amendment to the "Articles of Incorporation" 10. Proposal for Amendment to the "Self-Assessment Procedures for Internal Control System" 11. Revision of “Corporate Governance Best-Practice Principles” and “Personal Data Protection Policy” 12. Proposal for releasing Directors from non-competition restrictions 13. Convening the 2025 General Meeting of Shareholders 14. Proposal to renew credit facility agreements with financial institutions 15. Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 employee stock options and domestic third unsecured convertible corporate bonds 16. The proposal for the distribution of the 2024 employees’ and Directors’ remuneration 17. The proposal for the distribution of the 2024 Directors' remuneration 18. The proposal for the distribution of the 2024 manager performance results and employee remuneration 19. The proposal for the distribution of the 2024 employee remuneration from the subsidiary TWi Pharmaceuticals, Inc. to the Company's managers 20. The Company's 2025 annual managers' salary adjustment proposal 21. 2024 first employee stock option certificate allocation to non-managers 22. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees”
April 8, 2025	Board of Directors	1. Formulate the company's "2025 Share Buyback and Transfer to Employees Policy" 2. The Company’s Shares Buyback
May 14, 2025	Board of Directors	1. Consolidated financial report for the first quarter of 2025 of the Company. 2. Proposal to establish the record date for capital increase for the Company’s issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds 3. Proposal to sign loan agreement with financial institution 4. Proposal to authorize the Chairman with full authority to handle the transfer of operating assets and partial asset disposal of Uspher-Smith, a wholly owned material subsidiary 5. Proposed guarantee of a loan facility of US$20 million for Bora Pharmaceuticals Inc., a newly established 100% indirectly owned subsidiary of the Company. 6. Proposal for continuously providing guarantee of loan facility of US$70 million to Upsher-Smith Laboratories, LLC, a 100% indirectly owned subsidiary of the Company 7. Proposed acquisition of equipment for operational use by Bora Pharmaceuticals Injectables Inc., a 100% indirectly owned subsidiary of the Company 8. To revise the Sustainable Development Best Practice Principles
May 23, 2025	Board of Directors	9. The Company 2024 ESG material topic, management, and sustainability report 10. Proposal for the Company’s subsidiary Twi Pharmaceuticals, Inc. to repurchase its 2022 issued employee stock option 11. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees”
June 13, 2025	Board of Directors	1. Intent to participate in cash capital increase and new share issuance of Tanvex BioPharma Inc., an investee company in which the Company holds a 30.47% interest 2. Proposed guarantee of a loan facility of US$15 million for Bora Pharmaceuticals Injectables Inc., a 100% indirectly owned subsidiary of the Company 3. Proposed guarantee of a loan facility of US$15 million for Bora Pharmaceuticals Injectables Inc., a 100% indirectly owned subsidiary of the Company 4. Proposal for the amendment of the issuance and conversion rules of the Company’s third domestic unsecured convertible bonds 5. Proposal for the amendment of the issuance and conversion rules of the Company’s first overseas unsecured convertible corporate bonds
August 8, 2025	Board of Directors	1. Capital increase by cash of Salus Therapeutics Inc, a company in which the Company holds a 100% direct shareholding (hereinafter referred to as “Bora Pharmaceutical”) 2. Proposal for the subsidiary TWi Pharmaceuticals, Inc. (hereinafter referred to as “TWi Pharmaceuticals”) to dispose of two R&D projects, submitted for discussion 3. Proposal to sign loan agreement with financial institution 4. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees”
October 13, 2025	Board of Directors	1. Consolidated financial report for the second quarter of 2025 of the Company 2. The Company’s earnings distribution for the first half of 2025 3. Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2020 and 2022 employee stock options and domestic third unsecured convertible corporate bonds 4. Proposal for a cash capital increase of US$40,000 thousand in Bora Global Ltd., a newly established British Virgin Islands company in which the Company directly holds 100% equity 5. Proposal to sign loan agreement with financial institution 6. Amendment to the “2025 First Restricted Stock Award Plan” 7. Proposal for issuance of employee stock options 8. Proposal to set managerial ESG performance-linked compensation indicators 9. Proposal to appoint Mark Kang, the Company’s senior finance manager, as the Company’s manager 10. 2024 first employee stock option certificate allocation to non-managers 11. The proposal for the allocation of restricted stock awards to non-managerial employees for 2025 12. Transfer the treasury stock to non-manager in accordance to “2022 Stock Repurchase and Transfer to Employee Program” 13. Proposal to issue the Company’s 2024 first employee stock options to non-manager 14. Proposal to issue the Company’s 2025 restricted shares awards plan to non-manager
November 13, 2025	Board of Directors	1. Proposal to issue overseas depositary receipts backed by existing shares for trading on the U.S. over-the-counter market 2. Proposal to sign loan agreement with financial institution
December 4, 2025	Board of Directors	1. Consolidated financial report for the third quarter of 2025 of the Company 2. Proposal for the issuance of the Company’s fourth and fifth domestic unsecured convertible corporate bonds. 3. Proposal to sign loan agreement with financial institution 4. Proposal to discharge the non-compete restrictions on the Company’s managerial officers 5. To revise the Management Measures for the Reporting and Appeal System 6. To set the ESG short, mid and long term goal for 2025 7. Proposal to engage Crowe (TW) CPAs to provide assurance on the greenhouse inventory and TUV Rheinland on the assurance for the 2024 Sustainability Report 8. To establish the related operating procedures for the Company's sustainable development 9. Proposal to appoint Nadiya Chen as the sustainable development committee member 10. Proposal for the Company to buy back its shares
December 16, 2025	Board of Directors	1. Proposal to establish the record date for capital increase for the Company’s issuance of new shares for the exercise of 2020, 2022 and 2023 employee stock options and domestic third unsecured convertible corporate bonds
		1. The Company’s 2026 operating plan 2. The Company’s 2026 budget 3. The Company’s 2026 internal audit plan proposal 4. Amendment of “Internal Control System” 5. To define the scope of the Company’s junior colleague 6. Amendment to the “2025 First Employee Stock Option Issuance and Subscription Plan” 7. Propose to sign loan agreement with financial institution 8. Promotion for the Company’s accounting manager

Date	Meeting	Significant Resolutions
		9. The Company's 2025 year end bonus for manager 10. Transfer of treasury stock to managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees" 11. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees"
March 11, 2026	Board of Directors	1. The Company's 2025 "Statement of Internal Control System" 2. Review of the independence and eligibility assessment of the Company's CPA(s) 3. 2025 Business Report and Financial Statements 4. Distribution of earnings and cash dividends for 2025 5. The execution on the Company's treasury stock 6. The execution on the Company's unsecured convertible bonds 7. Amendments to the "Procedures for Acquisition or Disposal of Assets" 8. Amendment of the Company's 2026 internal audit plan proposal 9. Proposal for the subsidiary TWi Pharmaceuticals, Inc. to make a donation to the "Bora Sheng Wei En Foundation" 10. Proposal to sign loan agreement with financial institution 11. Proposal to provide a guarantee for a loan facility totaling US$9,000 thousand to two U.S. subsidiaries in which the Company holds 100% indirect ownership 12. Proposal for establishing the record date for capital increase for the issuance of new shares from the exercise of 2020, 2022, and 2023 employee stock option certificates. 13. Elections of Directors 14. Nomination of independent Directors 15. Proposal for releasing the newly appointed Directors and their representatives from non-competition restrictions. 16. The Company's Board of Director's resolution on 2026 stockholder meeting and related item 17. 2025 employees' and Directors' compensation 18. 2025 manager's performance result and employee remuneration distribution detail 19. 2025 Directors compensation distribution detail for the Company's subsidiary Twi Pharmaceuticals, Inc. The Company's 2026 managerial personnel remuneration raise 20. Proposal to issue the Company's 2024 first employee stock options to non-manager 21. Proposal to issue 2025 restricted shares awards to managers 22. Transfer of treasury stock to non-managerial employees as stipulated in the Company's "2022 Regulations for Transfer of Repurchased Shares to Employees" 23. 2024 first employee stock option certificate allocation to non-managers 24. 2025 first employee stock option certificate allocation to non-managers 25. The proposal for the allocation of restricted stock awards to non-managerial employees for 2025
March 31, 2026	Board of Directors	1. Proposal to provide a guarantee for a loan facility of US$20,000 thousand to Bora Global Ltd., a company in which the Company holds a 100% direct shareholding 2. To amend the Rules of Procedure for Shareholders Meetings 3. Proposal to add one discussion item for the 2026 stockholder meeting 4. To amend the policy for Director's compensation and renumeration 5. The Company's 2025 Director compensation and renumeration distribution
May 5, 2026	Board of Directors	Proposal 1: Proposal for the subsidiary Bora Management Consulting Co. Ltd. to participate the private placement of common share from SunWay Biotech Co., Ltd. Proposal 2: Proposal to cash capital increase the Company's subsidiary Bora Management Consulting Co. Ltd. for NTD 624,000 thousand. Proposal 3: Proposal to establish the record date for capital increase for the Company's issuance of new shares for the exercise of 2021 employee stock options Proposal 4: Proposal to establish the record date for capital decrease for the Company's issuance of restricted stock awards Proposal 5: The Company's 2025 sustainability report, material topic and tax policy Proposal 6: The Company' strategic investment company to distribute 2025 employee stock option to the Company's managers

(X) Important resolutions of shareholders meeting and board meeting in the most recent year and up to the date of publication of the annual report: None.

IV. Information on fees to certified public accountants:

(I) Information of certified public accountants

Name of CPA Firm	Name of CPAs		Audit Period	Notes
Ernst & Young Global Limited	Mink Hu	Jemmy Yao	January 1, 2025–December 31, 2025	None

(II) Fees to certified public accountants: The Company discloses the professional fees of certified public accountants by fee each disclosure.

Unit: NTD Thoudand

Name of CPA Firm	Name of CPAs	CPA Audit Period	Audit Fee	Non-AuditFfees	Total	Notes
Ernst & Young Global Limited	Hu Tzu-Jen Yao Shih-Chien	January 2025– December 2025	8,680	10,251	None	Note 1

Note 1: Non-audit fee includes tax service, business registration service, tax consulting and other services.

(III) When non-audit fees paid to the certified public accountant, to the accounting firm of the certified public accountant, and/or to any affiliated enterprise of such accounting firm are one quarter or more of the audit fees paid thereto, the amounts of both audit and non-audit fees as well as details of non-audit services shall be disclosed: Disclosed.

(IV) When the company changes its accounting firm and the audit fees paid for the fiscal year in which such change took place are lower than those for the previous fiscal year, the reduction in the amount of audit fees, reduction percentage, and reason(s) shall be disclosed. None.

(V) When the audit fees paid for the current fiscal year are lower than those for the previous fiscal year by 10% or more, the reduction in the amount of audit fees, reduction percentage, and reason(s) shall be disclosed. None.

V. Information on change of certified public accountant:

(I) Predecessor accountant: Not applicable

(II) Successor Accountant: Not applicable

(III) The reply letter from the predecessor accountant: Not applicable

VI. The company's chairman, general manager, or any managerial personnel in charge of finance or accounting matters who has, during the past year, held a position at the accounting firm of its certified public accountant or at an affiliated enterprise of such accounting firm:

None.

VII. Equity transfer or changes to equity pledge of a Director, supervisor, managerial personnel, or shareholder with a stake of more than 10% during the most recent fiscal year and up to the date of publication of the annual report

(I) Share Equity Change Status for Directors, Supervisors, Managerial personnel, and Major Shareholders

Title	Name	2025		As of April 11,2026	
		Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged	Increase (decrease) in the number of shares held	Increase (decrease) in the number of shares pledged
Chairperson and President	Sheng Pao-Shi	1,053,561	—	210,000	—
Directors	Ta Ya Venture Capital Co., Ltd.	511,427	—	(70,000)	—
	Representative: Shen Shang-Hung	—	—	—	—
Director and Major Shareholder	Baolei Co., Ltd.	3,737,087	—	—	150,000
	Representative: Chen Kuan-Pai	—	—	—	—
Independent Director	Lin Jui-I	—	—	—	—
Independent Director	Lai Ming-Jung	—	—	—	—
Independent Director	Li Yi-Chin	—	—	—	—
Independent Director	Lin Hsin-I	—	—	—	—
Major Shareholders	Rui Bao Xin Investment Co. Ltd.	2,267,369	—	—	—
Vice President	Chang Hsiu-Jung	17,014	—	6,300	—
Vice President Information Management Department	Chen Chia-Chu	3,694	—	(800)	—
President of subsidiary	Liu Nien-Hua	15,697	—	11,800	—
Senior Manager, Information Management Department	Li Chih-Chieh	26,418	—	5,300	—
Vice President, Finance, Accounting, and Management Department	Wang Chin-Chu	39,743	—	19,800	—
Senior Manager, Human Resource Department	Chen Chia-Ling	(2,994)	—	14,800	—
Vice Senior Manager Head of Accounting	Chen Hsiao-Ting	12,871	—	2,000	—
Head of Corporate Governance	Kang Huang-Cheng	34	—	—	—

(II) Information where the counterparty in a transfer of equity interests by a Director, supervisor, managerial personnel, or major shareholder is a related party: None.

(III) Information where the counterparty in a transfer of equity interests by a Director, supervisor, managerial personnel, or major shareholder is a related party: None.

VIII. Relationship information, if among the company's 10 largest shareholders any one is a related party or a relative within the second degree of kinship of another

April 11, 2026; Unit: Shares

Name	Number of Shares Held by the Person		Shareholding of Spouse and Minor Children		Held in the Name of Others Number of Total Shares Held		Names or titles of major shareholders who have relationships as defined in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within the second degree of kinship, and their relationships.		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Title (or Name)	Relations	
Baolei Co., Ltd.	22,442,026	17.53%	—	—	—	—	Rui Bao Xin Investment Co. Ltd.	The representative is the same person	—
							Po En International Co., Ltd.	The representative is the same person	—
							Chia Shi International Co., Ltd.	The representative is the same person	—
							Sheng Pao-Shi	Representative of Baolei	—
Representative: Sheng Pao-Shi	6,398,353	5.00%	—	—	25,582,842	19.99%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co. Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	—
							Chia Shi International Co., Ltd.	Representative of Chia Shi International	—
Rui Bao Xin Investment Co. Ltd.	13,616,045	10.64%	—	—	—	—	Baolei Co., Ltd.	The representative is the same person	—
							Po En International Co., Ltd.	The representative is the same person	—
							Chia Shi International Co., Ltd.	The representative is the same person	—
							Sheng Pao-Shi	Rui Bao Xin Investment Co., Ltd.	—
Representative: Sheng Pao-Shi	6,398,353	5.00%	—	—	25,582,842	19.99%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co. Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	—
							Chia Shi International Co., Ltd.	Representative of Chia Shi International	—
Sheng Pao-Shi	6,398,353	5.00%	—	—	25,582,842	19.99%	Baolei Co., Ltd.	Representative of Baolei Co., Ltd.	—
							Rui Bao Xin Investment Co. Ltd.	Representative of Rui Bao Xin Investment	—
							Po En International Co., Ltd.	Representative of Po En International	—
						—	Chia Shi International Co., Ltd.	Representative of Chia Shi International	—
Ta Ya Venture Capital Co., Ltd.	4,482,745	3.50%	—	—	—	—	None	None	—
Representative: Shen Shang-Hung	—	—	1,028	0.00%	—	—	None	None	—
SCHOFTEN LIMITED, British Virgin Islands	4,264,801	3.33%	—	—	—	—	None	None	—
Representative: Wang Hsing-I	—	—	—	—	—	—	None	None	—

Name	Number of Shares Held by the Person		Shareholding of Spouse and Minor Children		Held in the Name of Others Number of Total Shares Held		Names or titles of major shareholders who have relationships as defined in Statement of Financial Accounting Standards No. 6, or who are spouses or relatives within the second degree of kinship, and their relationships.		Note
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Title (or Name)	Relations	
Chiang Chih-Jung	2,328,871	1.82%	—	—	—	—	None	None	—
Po En International Co., Ltd.	1,802,216	1.41%	—	—	—	—	Baolei Co. Ltd. Co., Ltd.	The representative is the same person	—
							Rui Bao Xin Investment Co., Ltd.	The representative is the same person	—
							Chia Shi International Co., Ltd.	Representative of Baolei	—
							Sheng Pao-Shi	Representative of Po En International	—
Representative: Sheng Pao-Shi	6,398,353	5.00%	—	—	25,582,842	19.99%	Baolei Co. Ltd. Co., Ltd.	Representative of Rui Bao Xin Investment	—
							Rui Bao Xin Investment Co., Ltd.	Representative of Po En International	—
							Po En International Co., Ltd.	Representative of Chia Shi International	—
							Chia Shi International Co., Ltd.	Representative of Baolei Co., Ltd.	—
Hundred River International Investment Corp.	1,415,753	1.11%	—	—	—	—	None	None	—
Representative: Chen Kuan-Pai	—	—	—	—	1,415,753	1.11%	None	None	—
Chia Shi International Co., Ltd.	1,334,600	1.04%	—	—	—	—	Baolei Co. Ltd. Co., Ltd.	The representative is the same person	
							Po En International Co., Ltd.	The representative is the same person	
							Rui Bao Xin Investment Co., Ltd.	The representative is the same person	
							Sheng Pao-Shi	Rui Bao Xin Investment Co., Ltd.	
Representative: Sheng Pao-Shi	6,398,353	5.00%	—	—	25,582,842	19.99%	Baolei Co. Ltd.	Representative of Baolei Co., Ltd.	
							Rui Bao Xin Investment Co., Ltd.	Representative of Rui Bao Xin Investment	
							Po En International Co., Ltd.	Representative of Po En International	
							Chia Shi International Co., Ltd.	Representative of Chia Shi International	
HSBC(Taiwan) Custodial Account	840,000	0.66%	—	—	—	—	—	—	

IX. Investment in companies in which the Company, its Directors, supervisors, managers, and enterprises directly or indirectly controlled by the Company have equity interests, with their combined shareholding percentages calculated.

December 31, 2025; Unit: shares; %

Investee Company (Note 1)	The Company's Investments		Investment by Directors, Supervisors, Managers and Directly or Indirectly Controlled Enterprises		Combined Investment (Note 2)	
	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage	Number of Shares	Shareholding Percentage
Bora Pharmaceutical Laboratories Inc.	192,909,368	100.00	—	—	192,909,368	100.00
Bora Pharmaceuticals USA Inc.	500,000	100.00	—	—	500,000	100.00
Bora Pharmaceutical Services Inc.	100,000,000	50.00	100,000,000	50.00	200,000,000	100.00
Bora Management Consulting Co., Ltd.	100,000	100.00	—	—	100,000	100.00
Bora Pharmaceutical and Consumer Health Inc.	40,000	0.10	21,579,000	51.48	21,619,000	51.58
TWi Pharmaceuticals, Inc.	56,400,000	100.00	—	—	56,400,000	100.00
SunWay Biotech Co., Ltd.	21,615,098	35.97	—	—	21,615,098	35.97
Bora Global Ltd	400	100.00	—	—	400	100.00
Tanvex BioPharma Inc.	79,043,981	29.84	—	—	79,043,981	29.84
Jin Tei Pharmaceuticals, Inc.	—	—	85,000,000	100.00	85,000,000	100.00
TWi Pharmaceuticals USA, Inc.	—	—	38	100.00	38	100.00
Sunway Group Holding Limited	—	—	1,000,000	100.00	1,000,000	100.00
Chen Jun Marketing Co., Ltd.	—	—	255,000	51.00	255,000	51.00
Bora Health Inc.	—	—	22,618,880	100.00	22,618,880	100.00
Gtsw Biotech Sdn. Bhd.	—	—	200,000	40.00	200,000	40.00
Wonders Company Ltd.	—	—	3,600,000	30.00	3,600,000	30.00
Sunway Investment (H.K.) Limited	—	—	3,500,000	100.00	3,500,000	100.00
Union Chemical & Pharmaceutical Co., Ltd.	—	—	1,500,000	100.00	1,500,000	100.00
Taiwan Eartheco Bio-Tech (Dongguan) Co., Ltd.	—	—	(Note 1)	100.00	(Note 1)	100.00
Bora Pharmaceuticals Injectables Inc.	—	—	1,000	100.00	1,000	100.00
Bora Pharmaceutical Holdings, LLC	—	—	1,000	100.00	1,000	100.00
Pyros Pharmaceuticals Inc.	—	—	1,000	100.00	1,000	100.00
Upsher-Smith Laboratories, LLC	—	—	5,976,700 Class A unites; 116,235,280 Class B unites	100.00	5,976,700 Class A unites; 116,235,280 Class B unites	100.00

Note 1: The Company's investment using the equity method.

Note 2: The total number of shares and the ownership percentage are based on the results of cross-shareholding calculations.

Note 3: Since it's a limited company, there are no shares.

Chapter C.
Fundraising Conditions

I. Capital and Shares

(I) Source of Capital

1. Capital formation

Unit: Thousand share; NTD thousands

Month Year	Issuance Price (NT$)	Authorized Capital		Paid-in Capital		Notes		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Payment for Shares by Property Other Than Cash	Other
June 2007	5	200	2,000	200	2,000	Fundraising and Establishment	–	Note 1
November 2010	10	1,000	10,000	1,000	10,000	Capital Increase in CashNT$8,000 thousand	–	Note 2
December 2012	10	4,000	40,000	4,000	40,000	Capital Increase in CashNT$20,281 thousand	Payment of Subscription Receivable by Debt Claims: NT$9,719 thousand	Note 3
February 2013	10	12,400	124,000	12,400	124,000	Capital Increase in CashNT$84,000 thousand	–	Note 4
March 2013	12	25,000	250,000	14,400	144,000	–	Payment of Subscription Receivable by Debt Claims: NT$20,000 thousand	Note 5
June 2013	35	25,000	250,000	18,850	188,500	Capital Increase in CashNT$44,500 thousand	–	Note 6
January 2014	14	25,000	250,000	20,850	208,500	Capital Increase in CashNT$20,000 thousand	–	Note 7
July 2014	70	25,000	250,000	22,450	224,500	Capital Increase in CashNT$16,000 thousand	–	Note 8
August 2016	10	25,000	250,000	23,348	233,480	Capitalization of earnings NT$8,980 thousand	–	Note 9
April 2017	32.5	35,000	350,000	26,462	264,620	Capital Increase in CashNT$31,140 thousand	–	Note 10
August 2018	80	35,000	350,000	29,462	294,620	Capital Increase in CashNT$30,000 thousand	–	Note 11
August 2019	10	60,000	600,000	38,409	384,091	Capitalization of Earnings NT$88,471 thousand CB Conversion to Common Stocks NT$1,000 thousand	–	Note 12
November 2019	10	60,000	600,000	39,427	394,272	CB Conversion to Common Stocks NT$10,181 thousand	–	Note 13

Unit: Thousand share; NTD thousands

Month Year	Issuance Price (NT$)	Authorized Capital		Paid-in Capital		Notes		
		Number of Shares	Amount	Number of Shares	Amount	Source of Share Capital	Payment for Shares by Property Other Than Cash	Other
March 2020	120	60,000	600,000	41,627	416,272	Capital Increase in CashNT$22,000 thousand	—	Note 14
December 2020	10	60,000	600,000	54,115	541,154	Capitalization of Earnings NT$124,882 thousand	—	Note 15
September 2021	10	120,000	1,200,000	67,644	676,443	Capitalization of Earnings NT$135,289 thousand	—	Note 16
December 2021	81.5	120,000	1,200,000	68,412	684,123	Employee stock option NT$7,680 thousand	—	Note 17
February 2022	65.4	120,000	1,200,000	68,478	684,783	Employee stock optionNT$660 thousand	—	Note 18
May 2022	5	120,000	1,200,000	68,529	685,293	Employee stock optionNT$510 thousand	—	Note 19
September 2022	10	120,000	1,200,000	75,381	753,815	Capitalization of Earnings NT$68,522 thousand	—	Note 20
April 2023	140.3 300	120,000	1,200,000	77,435	774,348	Employee stock optionNT$400 thousand CB Conversion to Common Stocks NT$20,133 thousand	—	Note 21
August 2023	140.3 300	200,000	2,000,000	77,689	776,898	Employee stock optionNT$100 thousand CB Conversion to Common Stocks NT$2,450 thousand	—	Note 22
August 2023	10	200,000	2,000,000	100,830	1,008,308	NT$231,410 thousand of capitalization of earnings	—	Note 23
December 2023	106.8 150.4 228.4 296.6	200,000	2,000,000	101,412	1,014,128	Employee stock optionNT$540 thousand CB Conversion to Common Stocks NT$5,280 thousand	—	Note 24
February 2024	106.8 150.4 622.1	200,000	2,000,000	101,490	1,014,901	Employee stock optionNT$770 thousand CB Conversion to Common Stocks NT$3.2 thousand	—	Note 25
June 2024	106.8	200,000	2,000,000	101,550	1,015,501	Employee stock option NT$600 thousand	—	Note 26
October 2024	10	200,000	2,000,000	103,208	1,032,078	NT$16,577 thousand of shares conversion	—	Note 27
October 2024	150.4 109.3 (622.1)	200,000	2,000,000	103,014	1,030,147	Employee stock option NT$205 thousand CB Conversion to Common Stocks NT$3,054 thousand NT$5,190 thousand of treasury stock cancellation	—	Note 28
November 2024	148.1 107.7 254.4	200,000	2,000,000	103,085	1,030,852	Employee stock option NT$705 thousand	—	Note 29
March 2025	105.3 148.3 107.7 254.4 290.7	200,000	2,000,000	103,457	1,034,572	Employee stock option NT$3,490 thousand CB Conversion to Common Stocks NT$230 thousand	—	Note 30
June 2025	105.3 148.3 107.7 290.7	200,000	2,000,000	103,717	1,037,714	Employee stock option NT$555 thousand CB Conversion to Common Stocks NT$2,047 thousand	—	Note 31
October 2025	10	200,000	2,000,000	124,400	1,244,480	NT$206,828 thousand of capitalization of earnings	—	Note 32
October 2025	105.3 148.3 107.7 290.7	200,000	2,000,000	124,400	1,244,480	Employee stock option NT$465 thousand CB Conversion to Common Stocks NT$13 thousand	—	Note 33
December 2025	86.2 121.4 145.7 88.2 238 285.6 521.3 497.9	200,000	2,000,000	127,363	1,273,636	Employee stock option NT$1,686 thousand CB Conversion to Common Stocks NT$27,470 thousand	—	Note 34
March 2026	10	200,000	2,000,000	127,414	1,274,143	Restricted share award NT$506 thousand	—	Note 35
March 2026	121.4 88.2 238 521.3	200,000	2,000,000	127,735	1,277,346	Employee stock option NT$3,203 thousand	—	Note 36

Note 1: 2007.06.12 Letter No. Fujianshangzi 09685784100 approved by the government
Note 2: 2010.11.17 Letter No. Fuchanshangzi 09989766200 approved by the government
Note 3: 2012.12.25 Letter No. Fuchanshangzi 10190606710 approved by the government
Note 4: 2013.02.01 Letter No. Fuchanshangzi 10281026900 approved by the government
Note 5: 2014.06.13 Letter No. Fuchanyeshangzi 10384749500 approved by the government
Note 6: 2013.06.03 Letter No. Fuchanyeshangzi 10283499730 approved by the government
Note 7: 2014.01.27 Letter No. Fuchanyeshangzi 10380450410 approved by the government
Note 8: 2014.07.10 Letter No. Fuchanyeshangzi 10385703800 approved by the government
Note 9: 2016.08.12 Letter No. Fuchanyeshangzi 10590942610 approved by the government
Note 10: 2017.05.05 Letter No. Fuchanyeshangzi 10653541210 approved by the government
Note 11: 2018.08.23 Letter No. Fuchanyeshangzi 10752480520 approved by the government
Note 12: 2019.08.21 Letter No. Fuchanyeshangzi 10853082710 approved by the government
Note 13: 2019.11.25 Letter No. Fuchanyeshangzi 10856445400 approved by the government
Note 14: 2020.03.04 Letter No. Fuchanyeshangzi 10946656210 approved by the government
Note 15: 2020.12.04 Letter No. Jingshoushangzi 10901224860 approved by the government
Note 16: 2021.09.30 Letter No. Jingshoushangzi 11001179450 approved by the government
Note 17: 2021.12.02 Letter No. Jingshoushangzi 11001222740 approved by the government
Note 18: 2021.02.16 Letter No. Jingshoushangzi 11101018340 approved by the government
Note 19: 2022.05.12 Letter No. Jingshoushangzi 11101066780 approved by the government
Note 20: 2022.09.16 Letter No. Jingshoushangzi 11001181140 approved by the government

Note 21: 2023.04.10 Letter No. Jingshoushangzi 11230055670 approved by the government
Note 22: 2023.08.01 Letter No. Jingshoushangzi 11230136110 approved by the government
Note 23: 2023.08.30 Letter No. Jingshoushangzi 11230168370 approved by the government
Note 24: 2023.12.01 Letter No. Jingshoushangzi 11230222310 approved by the government
Note 25: 2024.02.19 Letter No. Jingshoushangzi 11330017570 approved by the government
Note 26: 2024.06.13 Letter No. Jingshoushangzi 11330089010 approved by the government
Note 27: 2024.10.01 Letter No. Jingshoushangzi 11330144060 approved by the government
Note 28: 2024.10.18 Letter No. Jingshoushangzi 11330155660 approved by the government
Note 29: 2024.11.07 Letter No. Jingshoushangzi 11330193790 approved by the government
Note 30: 2025.03.31 Letter No. Jingshoushangzi 11430038120 approved by the government
Note 31: 2025.06.17 Letter No. Jingshoushangzi 11430077950 approved by the government
Note 32: 2025.10.08 Letter No. Jingshoushangzi 11430133650 approved by the government
Note 33: 2025.10.14 Letter No. Jingshoushangzi 11430139170 approved by the government
Note 34: 2025.12.22 Letter No. Jingshoushangzi 11430197690 approved by the government
Note 35: 2026.03.13 Letter No. Jingshoushangzi 11530012340 approved by the government
Note 36: 2026.03.25 Letter No. Jingshoushangzi 11530040720 approved by the government

2. Total number of issued shares

April 11, 2026 Unit: Shares

Type of Shares	Authorized Capital			Remarks
	Shares issued and outstanding	Unissued shares	Total	
Ordinary shares	128,001,570	71,998,430	200,000,000	The Company's stocks are listed stocks.

3. Information on the comprehensive reporting system: None

(II) List of Main Shareholders

April 11, 2026 Unit: Shares

Name of Major Shareholders / Shares	Shareholding	Shareholding Percentage
Baolei Co., Ltd.	22,442,026	17.53%
Rui Bao Xin Investment Co. Ltd.	13,616,045	10.64%
Sheng Pao-Shi	6,398,353	5.00%
Ta Ya Venture Capital Co., Ltd.	4,482,745	3.50%
SCHOFTEN LIMITED, British Virgin Islands	4,264,801	3.33%
Chiang Chih-Jung	2,328,871	1.82%
Po En International Co., Ltd.	1,806,216	1.41%
Hundred River International Investment Corp.	1,415,753	1.11%
Chia Shi International Co., Ltd.	1,334,600	1.04%
HSBC(Taiwan) Custodial Account	840,000	1.06%

1. Dividend policy established in the Articles of Incorporation

If the Company's annual earnings are profitable, it shall allocate no less than one percent for employee remuneration and no more than five percent for Directors'remuneration, and point one percent to point five percent for entry level employee as salary increase or renumeration, but if the Company still has accumulated losses, the amount for compensation should be reserved in advance. The distribution of employee remuneration and Directors' remuneration shall be resolved by the Board of Directors with the attendance of more than two-thirds of Directors and the approval of more than half of the attending Directors, and reported to the General Meeting of Shareholders.

If the Board of Directors resolves to distribute employee remuneration in shares or cash to employees, then the said employees shall include those who meet certain criteria, with the relevant guidelines established by the Board of Directors. If there is a surplus in the Company's annual final accounts, it shall be allocated in the following order:
(1) Payment of taxes.
(2) Offsetting of accumulated losses from prior years.
(3) Allocation of 10% as legal reserve (unless the legal reserve has reached the total paid-in capital).
(4) Provision for or reversal of special reserve in accordance with applicable laws and regulations.
(5) If there is any remaining balance, together with accumulated undistributed earnings, the Board of Directors shall propose an earnings distribution plan and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The Company's dividend policy is based on a residual dividend policy. Taking into consideration the Company's current and future investment environment, capital requirements, domestic and foreign competition, the Company's annual distributed dividend shall not lower than the undistributed earning at the end of period as principle. When the dividend to shareholder is lower than NTD 0.5, the Company may retain the earning and not distributed. The percentage of cash dividends paid each year must not be less than 10% of the total amount of cash and stock dividends paid in that year.

2. Current year dividend distribution proposal to the shareholders meeting

The Company's 2024 earnings distribution proposal was approved by the Board of Directors on March 5, 2025, pending resolution at the General Meeting of Shareholders on May 23, 2025, with the distribution as follows:

Unit: NT$

Item	Amount		Notes
	Subtotal	Total	
Beginning Balance for 2025		$4,345,050,282	
Plus: 2025 net income after tax		2,981,310,421	
Net income after tax plus other items included in current year's undistributed earnings		7,326,360,703	
Less: Appropriation of 10% legal reserve	(298,131,042)		Note 1
Provision for special reserve	(161,946,052)		Note 2
Distributable earnings for the current period		6,866,283,609	
Distribution Items:			
Cash dividends to shareholders (NT$10 per share)	(1,273,299,330)		Note 3.4
		(1,273,299,330)	
Ending undistributed earnings		5,592,984,279	

Note 1: Legal reserve NT$2,981,310,421 x 10% = NT$298,131,042.
Note 2: In accordance with Article 41 of the Securities and Exchange Act, a special reserve shall be set aside for the net amount of reductions in other equity items recognized in the current period.
Note 3: As of February 28, 2025, the number of outstanding shares is 127,329,933 shares (127,683,933 shares minus treasury stock of 354,000 shares)
Note 4: The current profit distribution amount will prioritize the fiscal year 2025.

(IV) The Company's dividend distribution for fiscal year 2024 was approved by the Board of Directors on March 5, 2025, with a cash dividend of NT$14 per share and a stock dividend of NT$2 per share, pending approval at the General Meeting of Shareholders on May 23, 2025. Due to the Company's continued business expansion, favorable sales performance, and steady profit growth, this stock dividend is not expected to have a significant impact on the Company's operating performance and earnings per share.

(V) Employee bonus and remuneration for Directors and supervisors

The percentage or scope of employee bonuses as well as Directors' and supervisors' remuneration as set forth in the Articles of Incorporation.

If the Company's annual earnings are profitable, it shall allocate no less than one percent for employee remuneration and no more than five percent for Directors' remuneration, and point one percent to point five percent for entry level employee as salary increase or renumeration, but if the Company still has accumulated losses, the amount for compensation should be reserved in advance. The distribution of employee remuneration and Directors' remuneration shall be resolved by the Board of Directors with the attendance of more than two-thirds of the Directors and the approval of more than half of the attending Directors, and reported to the General Meeting of Shareholders. Employee remuneration shall be distributed in the form of shares or cash as resolved by the Board of Directors, and the recipients may include employees of affiliated companies who meet certain conditions, with the relevant rules authorized to be established by the Board of Directors.

The basis for estimating the amount of bonuses to employees and remuneration to Directors and supervisors, the basis for calculating the number of shares to be allotted as stock bonuses, the actual allotment of shares for the period, as well as the accounting treatment for the difference between the estimated amount and the estimated amount:

If the Board of Directors resolved at the end of last year to distribute employees' bonuses and Directors' remuneration, they are recognized as expenses in the current year. If there is any change in the amount of bonuses and Directors' remuneration at the date of the shareholders' meeting, it is adjusted according to the change in accounting estimate and recorded as profit or loss in the period of distribution.

Remuneration proposals passed by the board of Directors
1. The employee compensation and Director/supervisor remuneration amounts, whether distributed in cash or stocks, are disclosed. If there are any differences between the estimated accrual amounts for the fiscal year and the actual amounts, the differences, reasons, and handling methods should be disclosed: For 2025, based on the profit situation, the Company estimated employee compensation and Director/supervisor remuneration amounts to NT$41,433 thousand and NT$32,364 thousand, respectively. These amounts were recorded under the payroll expense category. On March 11, 2026, the board of Directors decided to distribute employee compensation and Director/supervisor remuneration in cash, amounting to NT$41,433 thousand and

NT$32,364 thousand, respectively. The discrepancy between the employee and Director remuneration and the 2024 financial reports has been expensed.

2. The amount of employee remuneration distributed in stock as a percentage of total net income after tax and total employee remuneration for the period. None.

The actual distribution of employee bonuses and Director/supervisor remuneration from the previous year (including distributed shares, amount and share price), and explanations of any differences between the recognized employee bonuses and Director/supervisor remuneration, including the difference amount, reasons, the recognized and handling method: The Company resolved at the Board of Directors meeting on March 5, 2025 to distribute employee remuneration and Director/supervisor remuneration in cash, amounting to NT$80,579 thousand and NT$40,289 thousand, respectively. The above employee remuneration and Director/supervisor remuneration had no difference from the expenses recognized in 2024.Status of Company Share Buyback:

(VI) Status of the Company's Stock Buyback:

1. Completed:

Number of Buyback Period	7th	8th Meeting	9th Meeting
Purpose of Buyback	To maintain the Company's credibility and shareholders' interests	Transfer of shares to employees	Transfer of shares to employees
Buyback Period	March 8, 2024 – May 7, 2024	April 9, 2025 – June 6, 2025	November 14, 2025 – December 23, 2025
Expected Buyback Quantity	1,000,000 shares	500,000	200,000 shares
Expected Buyback Price Range	NT$600 – 808	NT$600 – 700	NT$450 – 900
Type and Quantity of Shares Actually Bought Back	519,000 common shares	36,000 common shares	146,000 common shares
Actual Amount of Shares Bought Back	NT$389,681,413	23,710,726	NT$76,315,032
Average Buyback Price per Share	NT$750.83	658.63	NT$522.71
Ratio of Buyback Quantity to Expected Buyback Quantity (%)	51.9%	7.2%	73.0%
Number of Shares That Have Been Canceled and Transferred	519,000 shares	0 shares	0 shares
Accumulated Number of Shares Held by the Company	241,000 shares	269,500 shares	376,400 shares
Accumulated Number of Shares Held by the Company as a Percentage of Total Issued Shares (%)	0.23%	0.26%	0.3%

2. Still under execution: None.

II. Corporate bonds (including overseas corporate bonds) situation:

1. Status on corporate bonds

Item	First Overseas Unsecured Convertible Corporate Bonds
Date of Issuance	September 5, 2024
Par Value	US$200,000
Place of Issuance and Trading (Note 1)	Singapore Exchange Securities Trading Ltd.
Issuance Price	Issued at 100% of Face Value
Total Amount	US$200,000,000
Interest rate	Coupon Rate 0%
Conversion Price at Issuance	NT$964.6 (Conversion price calculated based on the fixing rate of 31.962 shown by Taipei Forex Inc. on the pricing date of August 29, 2024)
Latest Conversion Price	NT$964.6
Time Limit	Five-year term, Maturity Date: September 5, 2029
Purpose of Fundraising	Repayment of Bank Loans
Guarantor	Not applicable
Trustee	The Bank of New York Mellon, London Branch
Underwriter	J.P. Morgan Securities Co., Ltd.
Certifying Attorney	Du Wei Cheng Law Office
Certifying CPA	CPA Hu Tzu-Jen, CPA Yao Shih-Chien
Method of Repayment	This convertible corporate bond, except for conversion, put, call or redemption as set forth in the conversion procedure, shall be repaid in cash in a lump sum at maturity.
Outstanding Principal	As of March 25, 2025, the outstanding principal amount is US$200,000,000.
Call or Early Redemption Provisions	Please refer to the Issuance and Conversion Procedures.
Restrictive Covenants (Note 2)	None
Credit Rating Agency, Rating Date, Corporate Bond Rating Results	Not applicable
Additional Rights: Amount converted to common stocks (exchanged or subscribed) as of the printing date of the annual report	As of March 25, 2024, no conversion has been executed.
Additional Rights: Issuance and conversion (exchange or subscription) procedures	Please refer to the Issuance and Conversion Procedures.
Issuance and conversion, exchange or subscription methods, issuance conditions on potential share dilution and impact on existing shareholders' equity	Bondholders will choose the most advantageous timing for conversion, which creates a deferred effect on share dilution. Therefore, the Company's approach of raising funds through issuing convertible corporate bonds can appropriately mitigate the impact of share dilution. After investors convert the convertible corporate bonds, it will benefit the Company by increasing the equity ratio, strengthening the financial structure, and enhancing profitability, which aligns with the Company's long-term development plans.
Name of the Custodian Institution for Exchange Target	Not applicable

Note 1: Applicable to overseas corporate bonds.
Note 2: Such as restrictions on cash dividend payments, outbound investments, or requirements to maintain a certain asset ratio, etc.

2. Information on corporate bonds:

Type of Corporate Bonds		First Overseas Unsecured Convertible Corporate Bonds	
Item \ Year		2024	Current Year up to the Printing Date of the Annual Report
Market price of corporate bonds	Highest	107.75	109.50
	Lowest	102.35	100.65
	Average	105.20	103.60
Conversion Price		NT$964.6	
Issuance (implementation) date and conversion price at issuance		September 5, 2024 NT$964.6	
Method of Fulfilling Conversion Obligations		Issuance of New Shares	

III. Issuance of Preferred Stock: None

IV. Issuance of American Depositary Receipts (ADR):

Date of issuance			January 7, 2026
Place of issuance and trading			OTC Markets Group Inc.
Issuance price			Not applicable
Issuance price per unit			Not applicable
Total issued unit			The maximum approved overseas depositary receipts are 62,224,010 units.
Securities that represent			12,444,802 shares.
The number of securities represent			Each depositary receipt represents 0.2 shares of the Company's ordinary shares.
Rights and obligations of depositary receipt holders			Same rights and obligations as the ordinary shares
Depository institution			JP Morgan
Custody institution			Standard Chartered Bank (Taiwan)
Unredeemed balance			70,000 units
Method of sharing related expenses during issuance and duration			Our company covers the annual fees of the US OTCQX; other investors' purchase and redemption costs are borne by the investors themselves according to market practice.
Important terms and conditions of the depository and custody agreement			Handled in accordance with depositary agreement and custody agreement
Market price per unit		Highest	USD 4.500
	As of April 30, 2026	Lowest	USD 2.830
		Average	USD4.044

V. Exercise of Employee Stock Option Plan (ESOP):

(I) The Company's outstanding employee stock options should disclose the status of processing and the impact on shareholders' equity as of the date of printing of the annual report:

Type of Employee Stock Option Certificates	First Employee Stock Option Certificates 2020 Employee Stock Option Certificates		First Employee Stock Option Certificates 2021 Employee Stock Option Certificates			First Employee Stock Option Certificates 2023 Employee Stock Option Certificates					First Employee Stock Option Certificates 2024 Employee Stock Option Certificates	
Effective Date of Reporting and Total Number of Units	November 4, 2020 1,000 units (1,000 shares may be subscribed per unit)		January 10, 2022 1,000,000 units (1 shares may be subscribed per unit)			May 17, 2023 1,000,000 units (1 shares may be subscribed per unit)					December 26, 2024 1,000,000 units (1 shares may be subscribed per unit)	
Date of Issuance (Processing)	December 29, 2020	Ausut 13, 2021	May 11, 2022	August 31, 2022	December 8, 2022	September 19, 2023	November 14, 2023	March 11, 2024	May 14, ,2024	November 19, 2024	March 11, 2025	December 31, 2025
Duration	5 Years		4 Years			5 Years					5 Years	
Number of Issued Units	275 units, 1,000 shares may be subscribed per unit	598 units, 1,000 shares may be subscribed per unit	477,000 units, 1 shares may be subscribed per unit	160,000 units, 1 shares may be subscribed per unit	345,000 units, 1 shares may be subscribed per unit	535,000 units, 1 shares may be subscribed per unit	10,000 units, 1 shares may be subscribed per unit	264,000 units, 1 shares may be subscribed per unit	187,000 units, 1 shares may be subscribed per unit	4,000 units, 1 shares may be subscribed per unit	120,000 units, 1 shares may be subscribed per unit	508,437 units, 1 shares may be subscribed per unit
Number of Units Available for Issuance	0 unit (expired and unissued unit)		0 unit (expired and unissued unit)			0 units					371,563 units	
Percentage of shares issued for subscription to total issued shares	0.68%		0.77%			0.78%					0.49%	
Duration of Subscription	December 29, 2020–December 28, 2025	August 13, 2021–August 12, 2026	May 11, 2022–May 10, 2026	August 31, 2022–August 30, 2026	December 8, 2022–December 7, 2026	September 19, 2023–September 18, 2028	November 14, 2023–November 13, 2028	March 11, 2024–March 10, 2029	May 14, 2024–May 13, 2029	November 19, 2024–November 18, 2029	March 11, 2025–March 10, 2030	December 31, 2025–December 30, 2030
Method of Performance	Issuance of New Shares		Issuance of New Shares			Issuance of New Shares					Issuance of New Shares	
Type of Employee Stock Option Certificates	First Employee Stock Option Certificates 2020		First Employee Stock Option Certificates 2021			First Employee Stock Option Certificates 2023					First Employee Stock Option Certificates 2024	
Exercise Restriction Period and Ratio (%)	After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 30% After three years: 60% After four years: 100%		After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 50% After three years: 100%			After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 30% After three years: 60% After four years: 100%					After being granted the employee stock options for two years, the option holder may exercise the stock options according to the following schedule: After two years: 50% After three years: 75% After four years: 100%	
Number of Exercised Shares Acquired	260,000	442,200	477,000	145,000	211,100	3,600	—	—	—	—	—	—
Amount of Exercised Shares	28,053,300	60,916,080	43,631,750	36,888,000	55,901,950	1,876,680	—	—	—	—	—	—
Quantity of Unexercised Shares	15,000 (Note 1)	155,800 (Note 1)	0 (Note 2)	15,000 shares (Note 2)	133,900 (Note 2)	531,400	10,000	264,000	187.000	4,000	120,000	508,437
Subscription Price per Share for Unexercised Options (Note 3)	NT$86.2	NT$121.4	NT$88.2	NT$208.3	NT$238	NT$521.3	NT$490.6	NT$504.3	NT$572.9	NT$614.1	NT$784.0	NT$488
Percentage of unexercised subscription shares to total issued shares (%)	0.13%		0.12%			0.78%					0.49%	
Impact on Shareholders' Equity	The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.		The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.			The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.					The Company has issued employee stock options to attract and retain the exceptional talent needed by the Company, and to motivate and enhance employees' cohesion and sense of belonging to the Company, thereby jointly creating benefits for both the Company and its shareholders, which has a positive impact on shareholders' equity.	

Note 1: In the first issuance of employee stock options certificates for the year 2020, 1,000 units were initially applied for. However, only 873 units were successfully issued. The remaining 127 units expired due to exceeding the one-year issuance period.

Note 2: In the first issuance of employee stock options certificates for the year 2021, 1,000,000 units were applied for. However, only 982,000 units were successfully issued. The remaining 18,000 units expired due to exceeding the one-year issuance period.

Note 3: After the issuance of these stock options certificates, except for various convertible securities or warrants issued by the company that can be converted into ordinary shares or newly issued shares for employee compensation, adjustments to the exercise price shall be made in accordance with the rules and regulations governing the issuance and exercise of employee stock options certificates for the years 2020, 2021, 2023, and 2024 when the company has increased its issued ordinary shares (including private placements, cash increases, increases from retained earnings, increases from capital surplus, mergers, demergers, stock splits, or the issuance of new shares by acquiring shares of another company and participating in the issuance of overseas depositary receipts, etc.). If the issued common stocks increase due to a change in the par value of the stock, the adjustment shall be made on the new stock replacement record date, but for those with actual payment operations, the adjustment shall be made on the date when the payment is fully completed. After the issuance of this stock option, if the Company distributes cash dividends for common stocks, it shall be adjusted according to the ratio of the market price per share.

(II) The names of the managers and the top ten employees who have acquired employee stock options as of the date of publication of the annual report, and the acquisition and subscription status of the stock options.

	Title	Name	Number of subscription shares acquired	Percentage of subscription shares acquired to total issued shares	Executed					Not Executed			
					Number of Subscription Shares	Subscription Price		Amount of Subscription Shares	Percentage of subscription shares to total issued shares	Number of Subscription Shares	Subscription Price	Amount of Subscription Shares	Percentage of subscription shares to total issued shares
Manager	President	Sheng Pao-Shi	1,201.6 thousand shares	0.94%	8 thousand shares 8 thousand shares 4.2 thousand shares 8 thousand shares 16.5 thousand shares 307.5 thousand shares 18.5 thousand shares 12.5 thousand shares	NT$150.4 NT$148.3 NT$145.7 NT$121.4 NT$107.7 NT$88.2 NT$290.7 NT$$238		NT$41,224.2 thousand	0.30%	7.8 thousand shares 26 thousand shares 358 thousand shares 8 thousand shares 135 thousand shares 283.6 thousand shares	NT$121.4 NT$238 NT$521.3 NT$504.3 NT$572.9 NT$488	NT$413,533 thousand	0.64%
	Vice President, Finance, Accounting, and Management Department	Wang Chin-Chu											
	Vice President	Chen Chia-Chu											
	Vice President, Quality Operation	Chang Hsiu-Jung											
	President of important subsidiary	Liu Nien-Hua											
	Senior Manager	Chen Chia-Ling											
	Senior Manager	Li Chih-Chieh											
	Vice Senior Manager Head of Accounting	Chen Hsiao-Ting											
	Head of Corporate Governance	Kang Huang-Cheng											
Employe	Employee	Helen Clark	443.8 thousand shares	0.35%	32 thousand shares 31 thousand shares 52 thousand shares 52 thousand shares 16 thousand shares 14.5 thousand shares 2.4 thousand shares	NT$150.4 NT$148.3 NT$121.4 NT$88.2 NT$290.7 NT$238 NT$521.3		NT$29,662.6 thousand	0.16%	18.5 thousand shares 94.6 thousand shares 25 thousand shares 22.5 thousand shares 83.3 thousand shares	NT$238 NT$521.3 NT$504.3 NT$572.9 NT$488	NT$119,866 thousand	0.19%
	Employee	John Lawrie											
	Employee	Sally Langa											
	Employee	Godfrey Alexander Baker											
	Employee	Stefan Schnydrig											
	Employee	Fan Shao Ming											
	Employee	Hsu Jing-Sheng											
	Employee	Chang Jun-Xing											
	Employee	Chang Chun Tong											
	Employee	Tai Yu-Ting											

VI. Employee Restricted Shares Awards:

Type of Employee Restricted Stock Awards	2025 Employee Restricted Shares Awards
Effective date of declaration and the total number of shares	July, 8, 2025, 500,000 shares
Issuance date	December 31, 2025
Issuance shares of employee restricted stock awards	50,637 shares
Number of new shares for restricted employee stock	449,363 shares
Issuance price	$0 per share
The ratio of issued shares of employee restricted stock awards to the total number of issued shares	0.04%
Vesting conditions of employee restricted stock awards	Granted employees shall have no violation on any terms of the Company's employment agreement, employee handbook, or policies during the vesting period and shall achieve the performance goals which are agreed by both parties and Company's goals. The personal performance shall be rated as meet expectation or above, and the Company's Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) or the Company's revenue for the fiscal year prior to the vesting is 10% higher than the year proceeding. Based on the above achievement criteria, the maximum vested share ratios for each year will be 33%, 33% and 34% respectively on April 30th of each year after the issuance date, and the total vested share ratio will be 100%. However, if the achievement rate does not reach the threshold due to the significant impact of international or industrial conditions on the Company's operations, the Company may propose a distribution ratio for the number of shares earned, which will be distributed after the resolution of the board of Directors. Employees who are in the managerial or board of Director position should first obtain the approval from the Remuneration Committee, and employees who are not in the managerial or board of Director position should first obtain the approval from the Audit Committee.
Restriction of rights on employee restricted stock awards	1. Except for inheritance, the employee restricted shares may not be sold, pledged, transferred, gifted to another person, used to create any encumbrance or otherwise dispose of. 2. After the employee receive the employee restricted shares, employees shall not have the right to attend, propose, speak, vote or elect at the shareholders' meeting until the vesting conditions are met. 3. Employees who receive the employee restricted shares in accordance with this plan shall not have the right to receive dividends, bonuses, reserves or cash capital increase before the vesting conditions are met. 4. After employee receives the employee restricted shares and before the vesting condition is met, when the Company reduces capital by cash or other statutory capital reduction, the employee restricted shares shall be retired in proportion to the capital reduction. If it is a cash capital reduction, the cash returned must be deposited into a trust and will be delivered to the employee after the vesting conditions are met. If the vested conditions are not met, the Company will retain the cash. 5. In addition to the aforementioned restrictions, employees who receive employee restricted shares in accordance with the plan shall not have the rights of stock dividend, cash dividend, subscriptions for cash capital increase, capital increase by capital reserve and cash distribution from capital reserve before the vesting conditions are met. If an employee who has met the vesting conditions during the period from the fifteenth business day before the cessation of transfer of allotment, dividends and subscription base dates of the Company to the rights distribution base date, shares that have been unrestricted shall still not enjoy the rights to stock dividend, cash dividend, subscriptions, capital increase by capital reserve and cash distribution from capital reserve.
Custody of employee restricted stock awards	Employee restricted shares shall be negotiated, signed, amended, extended, discharged, terminated and instructions for the delivery, use and disposal of the Trust/Custody Property during the Trust Delivery Period by the Company's sole agent employees and the Share Trust/Custodian, (including but not limited to) Trust/Custody Contract.
The treatment for the employee restricted stock awards, of which the grantees fail to meet the vesting conditions	1. Conditions of the employee who fails to meet the vesting conditions or in the event of inheritance: the Company shall revoke and retire unvested restricted employee shares. 2. During the vesting period if the employee has voluntarily resign, terminated with cause or retrenchment, the Company shall revoke and retire the unvested shares.
Number of employee restricted stock awards that have been bought back	18,251 shares
Number of vested employee restricted stock awards	-
Number of unvested employee restricted stock awards	32,386 shares
The ratio of number of unvested employee restricted stock awards to the total number of issued shares (%)	0.03%
The impact on shareholders' equity	The ratio of number of unvested employees restricted stock awards has no significant impact on the dilution of the shareholdings.

VII. Employee Restricted Shares Awards Granted to Officers and the Top 10 Employees:

	Title Name	Title Name	Number of Employee Restricted Stock Awards Granted The Ratio of Number of Employee Restricted Stock Awards Granted to the Total Number of Issued Shares	Number of Employee Restricted Stock Awards Granted The Ratio of Number of Employee Restricted Stock Awards Granted to the Total Number of Issued Shares	Vested Employee Restricted Stock Awards					Unvested Employee Restricted Stock Awards			
					Number of Vested Employee Restricted Stock Awards	Issuance Price		Total Issuance Amount	The Ratio of Number of Vested Employee Restricted Stock Awards to the Total Number of Issued Share	Number of Unvested Employee Restricted Stock Awards	Issuance Price Total Issuance Amount	Issuance Price Total Issuance Amount	The Ratio of Number of Unvested Employee Restricted Stock Awards to the Total Number of Issued Shares
Manager	Vice President, Finance, Accounting, and Management Department	Wang Chin-Chu	3,800 shares	–	–	–		–	–	2,546 shares	$0 per share	–	0.00%
	Vice President, Information Management Department, The Group	Chen Chia-Chu											
	President of the Subsidiary	Liu Nien-Hua											
	Vice President	Chang Hsiu Jung											
	Senior Manager, Human Resource Department	Chen Chia-Ling											
	Senior Manager, Human Resource Department	Li Chih-Chieh											
Employe	Senior Vice President	Jean-Baptiste Agnus	30,537 shares	–	–	–		–	–	20,326 shares	$0 per share	–	0.02%
	Senior Vice President	Stefan Schnydrig											
	Senior Vice President	James Maahs											
	Vice President	David Fidler											
	Vice President	Dan Bruno											
	Vice President	Sally Langa											
	Vice President	Marco Polizzi											
	Vice President	Dana Johnston											
	Vice President	Dennis Hall											
	Vice President	Godfrey Baker											

VIII. Mergers, Acquisitions or Issuance of New Shares for Acquisition of Shares of Other Companies:

(I) The recent annual and interim reports until the printing deadline have completed the acquisition or acquisition of shares of another company and the issuance of new shares: Not applicable.

(II) If the implementation progress or effectiveness did not meet the target in the most recent quarter, the impact on shareholders' equity and the improvement plan shall be stated: Not applicable.

Chapter D.
Business Overview

I. Business Activities

(I) Business scope

1. Main contents of the Company's businessThe Company's registered operating items are as follows:

C802041 Western pharmaceutical manufacturing industry
F108021 Western pharmaceutical wholesale industry
F108031 Medical equipment wholesale industry
F107070 Animal use drugs wholesale industry
F113030 Precision instruments wholesale industry
F113060 Weight and Measuring equipment wholesale industry
F108040 Cosmetic wholesale industry
F207070 Animal use drugs retail industry
F203010 Food and Beverage retail industry
I102010 Investment Consulting industry
I103060 Management Consulting industry
F401010 International trade industry
H703100 Real estate rental and leasing industry
ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

2. Revenue breakdown of major products

Item \ Year	2024		2025	
	Amount	Revenue Composition	Amount	Revenue Composition
Pharmaceutical and Healthcare Product Sales	12,965,270	67.37	12,256,780	62.00
Pharmaceutical Contract Manufacturing	6,271,970	32.59	7,497,131	37.92
Other	8,667	0.04	16,406	0.08
Total	19,245,907	100.00	19,770,317	100.00

3. Current Products (Services)

A. Categories of Products Sold:

The Company's production and sale s of products extend across major markets worldwide, with overseas markets accounting for more than 90% of the Company's total operating revenue. Based on the primary business models of the Company's products, they may be categorized as follows:

(A) Global Contract Development and Manufacturing Organization (CDMO):

Based on differences in drug types and the locations or requirements of global customers, the Company provides one-stop services covering development, testing, certification, mass production, and delivery for various pharmaceutical dosage forms. The Taiwan facilities currently manufacture oral solid dosage forms such as tablets and capsules, liquid and suspension formulations, semi-solid dosage forms, as well as sterile ophthalmic dosage forms, including eye drops and ophthalmic ointments. In North America, the Company operates a sterile injectable and fill-finish facility in Baltimore, Maryland, and an oral dosage facility in Maple Grove, Minnesota, while the Canadian facilities primarily focus on liquid and semi-solid dosage forms.

(B) Global Pharma Sales:

The Company's global pharmaceutical sales cover multiple therapeutic areas, with a primary focus on pediatric epilepsy specialty drugs and specialty generic drugs in the United States. In Taiwan, the Company also markets its own branded and imported prescription and over-the-counter drugs, as well as healthcare products. In the U.S. market, through its subsidiary Upsher-Smith, the Company generates revenue from the sale of pharmaceutical products for which it holds self-developed or acquired drug licenses, including Dexlansoprazole DR Capsules (DLS) for the treatment of gastroesophageal reflux disease, Potassium Chloride ER Tablets (KCl), and a number of U.S. branded drugs, including products sold through specialty channels for the treatment of pediatric epilepsy and rare diseases such as tuberous sclerosis.

B. Sales Channels:

(A) Sales of prescription drugs, OTC drugs, or health supplements as the Marketing Authorization Holder (MAH) to domestic and international channels, including clinics, pharmacies, chain drugstores, and cosmeceutical retailers.

(B) Sales of prescription drugs as the MAH — either directly or through distributors — to domestic and international medical centers, non-profit (foundation) hospitals, public hospitals, and regional and district hospitals.

(C) AContract manufacturing of pharmaceutical products for pharmaceutical companies

4. Planned New Products (Services)

A. R&D Directions:

Since 2013, the Company has continuously engaged in vertical and horizontal integration, evolving from distribution and agency services to research and development and manufacturing, developing into a comprehensive international-level CDMO pharmaceutical company. The pharmaceuticals manufactured by the Company have been successfully sold to more than 100 countries worldwide. To enrich our existing product lines, we are actively committed to the research and development of our own pharmaceuticals and investing in improved small molecule drugs with new dosage forms. By improving dosage forms, we increase the convenience of medication use. Furthermore, our product selection is oriented toward meeting market demands and high-quality requirements, making our products more competitive.

Through its subsidiary layout, Bora Group possesses high - barrier pharmaceutical R&D capabilities and a well - established marketing and sales organization, focusing on the development and commercialization in the U.S. market of specialty generic drugs (ANDA) and 505 (b) (2) new dosage form products with "high market niches." Alongside pharmaceutical development, the Group also undertakes related intellectual property protection and patent applications. With Upsher-Smith and Pyros joining the Group as subsidiaries in 2024, the Group has rapidly established a comprehensive Vigabatrin product line in the high-barrier orphan branded drug and specialty pharmacy channel markets. Going forward, the Group will continue to develop new dosage form products and generic drugs for central nervous system rare diseases, further deepening its presence in the orphan drug market.

In addition, subsidiary SunWay Biotech Co., Ltd. has accumulated extensive research and development experience with NTU568 Monascus and NTU101 Lactobacillus. The Company will continue to leverage its exclusive patented technologies and advantages to develop diverse and effective microorganisms and fermentation processes, establishing future development pathways for new functional ingredients and additional derivative products. Combined with Bora's years of experience and channel resources in health supplement distribution, this will establish competitive advantages in the health supplement market.

The principal new products planned for development are as follows:

(A) New formulation drugs

(B) Specialty generic drugs (primarily high technical barrier generics or Paragraph IV generics)

(C) Proprietary OTC drugs

(D) Proprietary healthcare products

Advancement of Key Research Projects:

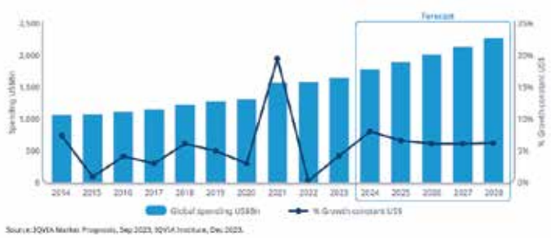
Our company has developed Potassium Chloride ER Tablets for the treatment of hypokalemia and Deflazacort Tablets, a rare-disease medication from Upsher-Smith for Duchenne muscular dystrophy. Both received U.S. FDA approval in 2024 and have been launched. In addition, cyclosporine for the treatment of dry eye disease received U.S. FDA approval in 2025 and has been launched. The Company will integrate the Group's resources to invest in the specialty generic drug development platform, continuing to drive and maintain the momentum of submitting approximately 3 to 5 drug applications to the U.S. FDA annually. The Company will continue to focus on high-value research and development projects through the integration of the Group's resources.

(II) Industry Overview

1. Current Status and Development of the Industry

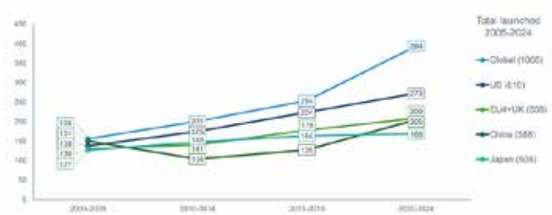
According to the latest statistical report by IQVIA, the global pharmaceutical market size reached approximately US$1.75 trillion in 2024, representing a growth of approximately 8.89% from US$1.6 trillion in 2023. It is estimated that the global pharmaceutical market will achieve a compound annual growth rate (CAGR) of 7.5% over the 5-year period from 2025 to 2029. As shown in [Figure-1], the total global market size is projected to reach US$2.4 trillion by 2029. Over the past 5 years, the number of newly launched drugs has reached a historical high, particularly in the fields of oncology, immunology, and endocrine therapies. For small molecule drugs, oncology, immunology, obesity, and neurology represent the areas with the greatest demand for R&D and mass production, as shown in [Figure-2].

Figure-1. 2025–2029 Global Pharmaceutical Market Sales Growth Rate



Source: IQVIA, May 2025

Figure-2. Global Pharmaceutical Product Launch Performance



Source: IQVIA, May 2025

By geographic market segmentation, North America remains the largest single pharmaceutical consumption market globally, as shown in [Figure-3]. According to IQVIA research, global pharmaceutical expenditure by region is estimated to rank from highest to lowest as North America, Western Europe, and China. Regions with higher CAGR include Eastern Europe and India at approximately 7%–10%, while the North American market is expected to grow at a CAGR of 6%–9%, driving the global average CAGR to maintain growth of 5%–8% over the next 5 years, as shown in [Figure-3].

Figure-3 2025–2029 Distribution of Major Global Pharmaceutical Sales Regions

Unit: Billion US Dollar

Source: IQVIA, May 2025

It is noteworthy that the launch of biologic drugs has provided new treatment options for rare diseases and difficult-to-treat conditions. In 2025, the U.S. Food and Drug Administration (FDA) relaxed regulatory policies for the development of biosimilars, and the industry generally expects that biosimilars will become more widely adopted following reductions in development costs. According to IQVIA research analysis, the global biopharmaceutical market reached US$550 billion in 2023 and is projected to grow to US$820 billion by 2029, accounting for approximately 34% of the global pharmaceutical market. Due to the impact of price reductions from biosimilars, the 5-year compound annual growth rate (CAGR) is expected to moderate to 7%–10%, slightly higher than the overall pharmaceutical market growth rate of 5%–8%, with a cumulative 5-year growth rate of approximately 49%. Biopharmaceuticals will continue to serve as a key driver of global pharmaceutical market growth.

Furthermore, specialty drugs (Specialty Drugs / Specialty Pharmaceuticals), originally referring to a limited number of medications characterized by high cost, high complexity, or the need for close monitoring and care by healthcare professionals or institutions, have seen a significant increase in spending share. According to the report, over the ten-year period from 2014 to 2024, the share of specialty drug spending in the top 10 developed and developing countries increased substantially, from 33% and 24% to 51% and 35%, respectively. By 2029, total specialty drug spending is projected to account for 46% of the overall market, with the top 10 developed countries expected to reach 54%, representing significant growth compared to traditional pharmaceuticals.

The total sales of the top 10 global pharmaceutical products in 2024 amounted to US$143.37 billion, representing an increase of 10.47% compared to US$129.784 billion in 2023. This growth was primarily driven by significant increases in sales of Keytruda® for advanced melanoma, diabetes treatments Ozempic® and Mounjaro®, and psoriasis treatment Skyrizi®. Among these, 7 were biologic drugs, with total sales of US$106.375 billion, accounting for approximately 74.20%, while only 3 were small molecule drugs, with total sales of US$36.995 billion, accounting for approximately 25.80%.

The Company is primarily engaged in pharmaceutical contract development and manufacturing (CDMO), global pharmaceutical sales (Pharma Sales, categorized into innovative drugs/quasi-innovative drugs and generic drugs), and the health supplement industry, as described below:

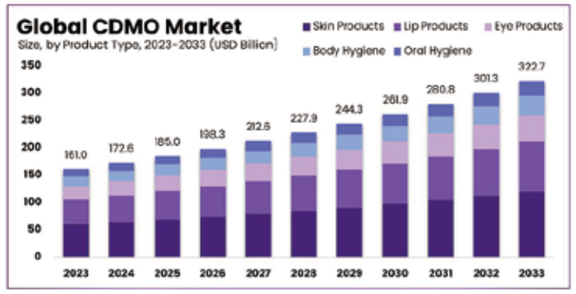
(1) CDMO

Based on the 2024 research report by Magna Intelligence titled "Global Healthcare Contract Development and Manufacturing Organization Market Databank–Global Market Size Estimates and Forecasts, " the global healthcare Contract Development and Manufacturing Organization (CDMO) market is expected to grow from US$252.81 billion in 2023 to US$459.14 billion by 2031, representing a compound annual growth rate (CAGR) of approximately 7.74%. Within this market, Contract Development Organization (CDO) services are projected to achieve a higher CAGR of about 8.60%, compared to 7.29% for Contract Manufacturing Organization (CMO) services. This growth is driven by the rapid expansion of the pharmaceutical and biotechnology industries, increased R & D investment, favorable regulatory environments, and the rising number of strategic collaborations among market participants. By 2024, global R&D expenditure by pharmaceutical and biotech companies is expected to grow at an annual rate of 3% to US$213 billion. According to the report's regional data, North America remains one of the major CDMO accounting for approximately 38.35% of the overall market share. The United States, China, India, and Germany are expected to be the largest national markets for pharmaceutical CDMO services. Growth in the generic drug market, patent expirations of various biologics, advancements in active pharmaceutical ingredient (API) and finished dosage form (FDF) manufacturing technologies, and the aging population are key factors driving overall market expansion. It is estimated that by 2031, the Asia region will achieve the highest CAGR of 9.16%, primarily driven by an increasing number of highly skilled professionals entering the pharmaceutical industry, which enhances overall technological capabilities and manufacturing capacity, thereby promoting the rapid development of the CDMO market in Asia.

Furthermore, according to data published by Market US, the global CDMO market size in 2023 was approximately US$161.0 billion and is estimated to increase to around US$327.7 billion by 2033, as shown in [Figure-4]. The growth of the CDMO market is driven by increasing demand for advanced therapies, including genetic and oncology drugs, which significantly boosts investment in new drug development and prompts pharmaceutical companies to place greater emphasis on innovation and on accelerating clinical development. For small or specialized R&D pharmaceutical companies,

meeting their needs through third-party one-stop services from CDMOs, as well as forming regional collaborations and strategic partnerships, further drives the growth of the CDMO market. According to a 2026 analytical report by Nice Insight, the CDMO market is expected to mature, transitioning from traditional cost-based pricing to value-based pricing. Greater emphasis will be placed on production technology, regulatory compliance, small-batch production, and delivery speed, indicating that new entrants or growing CDMO companies still have substantial opportunities to demonstrate their value.

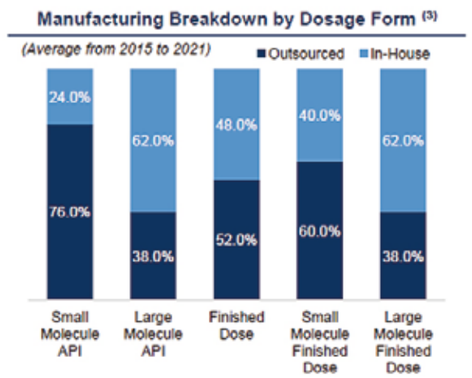
Figure-4 Analysis of the Global CDMO Market Size



Data source: market.us, https://market.us/report/cdmo-market/

In addition, Results International research and analysis estimates that the potential CDMO market size will reach US$341.0 billion, representing a sector with significant business expansion potential, as shown in [Figure-5]. According to an IQVIA report, small molecule drugs accounted for 68.70% of the global pharmaceutical market in 2023, comparable to 70.92% in 2022. The market is projected to reach US$1.35 trillion by 2028, representing a cumulative growth rate of 21.92%. Small molecule drugs are expected to remain the primary category of global pharmaceutical expenditure over the next 5 years. The report also indicates that, in the global CDMO market from 2017 to 2026, small molecule drugs account for approximately 62%–64% of market share, mainly because, from a supply chain perspective, technology transfer for small molecule drug manufacturing is faster than for biologics.

Figu



Data source: Outsourced Pharmaceutical Services 2022 Year In Review, Delancey Street Partners, LLC.

Based on an analysis of U.S. FDA new drug approvals, small molecule drugs totaled 28 approvals in 2024, representing approximately 56% of the total 50 approved drugs. While this shows a slight decrease from the 69% proportion in 2023, small molecule drugs still account for more than half of all approvals, indicating that they remain the primary type of new drugs seeking U.S. FDA approval. Furthermore, when categorizing pharmaceutical companies by size, small pharmaceutical companies account for approximately 65% of all new drug approvals, demonstrating that innovation in the pharmaceutical industry primarily comes from small to medium-sized pharmaceutical companies.These small to medium-sized pharmaceutical companies typically employ the Contract Development Manufacturing Organization （CDMO）model for production to enhance and accelerate their chances of obtaining new drug approvals. As more small innovative enterprises secure marketing authorizations, they will continue to drive robust growth in the CDMO business. Analysis of CDMO market participant revenues reveals the highly fragmented nature of the industry, with two-thirds of companies generating less than NT$50 million in revenue.The top 10 companies represent less than 20% of the total market size. Approximately 20 CDMO enterprises generate over NT$500 million in revenue, with the top 10 participants holding a combined market share of less than 20%. Lonza remains the world's largest CDMO, nearly twice the size of its closest competitor, Catalent. Notably, Catalent, Lonza, and Recipharm have all expanded their market share, improved manufacturing quality, and extended their manufacturing capabilities into new technological areas through acquisitions, offering one-stop services from early development to contract manufacturing.

Analyzing global CDMO market demand by region, the compound annual growth rate (CAGR) is highest in North America and Asia, both exceeding 13%. Among them, North America ranks as the largest CDMO sales region, accounting for 35%, as it is the largest single pharmaceutical sales market, as shown in [Figure-6]. More than half of global pharmaceutical companies prioritize obtaining regulatory approval and launching products in the United States. With U.S. policy guidance and national security considerations, collaboration with locally based CDMO providers possessing specialized expertise and regulatory compliance capabilities is conducive to accelerating compliance with and approval under stringent North American regulatory requirements (particularly in the United States and Canada), making such partnerships an attractive option for innovative drug developers to overcome regulatory barriers.

Through the implementation of various measures to enhance the U.S. pharmaceutical manufacturing supply chain and reduce the market's reliance on overseas biomanufacturing, the North American CDMO market is expected to experience rapid growth.

Figure-6. Analysis of CDMO Outsourcing Manufacturing / Global Actual and Potential Market Forecast for CDMO

Source: market.us, https://market.us/report/cdmo-market/

(2) Global Pharmaceutical Sales

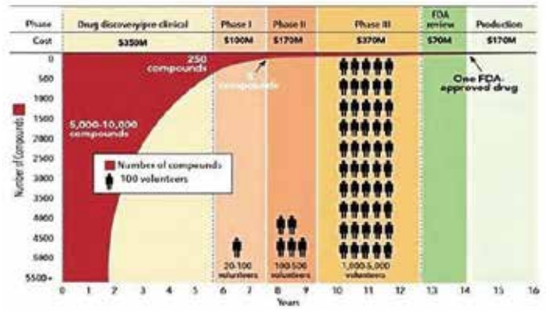
(a) Innovative Drug Market

The development of innovative drugs requires substantial capital investment and time. In recent years, R & D timelines have been prolonged, and success rates remain low, with more than 10 years required from early - stage research to a successful drug launch, as shown in [Figure-7]. In addition, as generic drug manufacturers increasingly challenge patented drugs, once-innovative drugs lose exclusivity upon patent expiration, high-margin products are often rapidly replaced by generics. In fact, due to the high economic value generated by innovative drugs, the sector is characterized as a high-value-added, knowledge - intensive industry. The commercial model for innovative drug development should not be underestimated, given the high development risks, and each pharmaceutical company should adopt an entry strategy aligned with its risk appetite.

To promote the launch of innovative drugs and enhance patient access to medications, the U.S. Food and Drug Administration (FDA) provides diversified review pathways, including Orphan Drug Designation (for diseases affecting fewer than 200,000 patients), Fast Track, Breakthrough Therapy, Priority Review, and AcceleratedApproval. These mechanisms streamline or expedite the review process, enabling earlier market entry of innovative drugs and improved treatment options for patients. In recent years, the pharmaceutical industry structure has gradually evolved toward a model of shared benefits, shared risks, and collaborative development, namely through CRO (Contract Research Organization), CMO (Contract Manufacturing Organization), and CDMO (Contract Development and Manufacturing Organization), thereby reducing development costs and risks for innovative drugs.

Figure-7. Flow Chart for New Drug Development to Launch (US$)

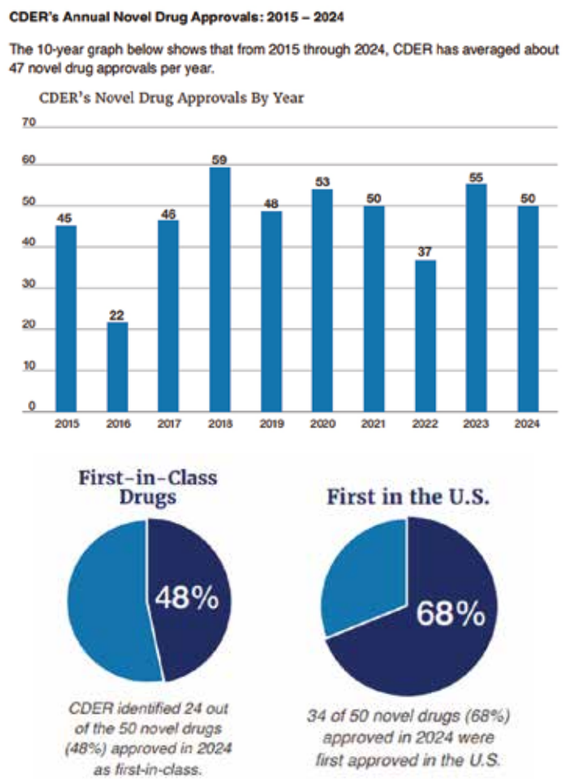
According to an analysis of the number of new drug approvals by the Center for Drug Evaluation and Research (CDER) of the U.S. FDA in 2024, a total of 50 new drugs were approved by the U.S. FDA in 2024, of which 24 were innovative First-in-Class products, accounting for 48% of total approvals. Compared to 20 such approvals in 2023,



Data Source: Molecules 2018, 23, 533. (The Pharmaceutical Industry in 2017. An Analysis of FDA Drug Approvals from the Perspective of Molecules)

which accounted for approximately 36% of total approvals, this represents an increase of approximately 33%. The primary therapeutic areas of CDER-approved drugs were oncology at 30% and rare or orphan drugs at 52%, indicating a gradual shift in commercial models toward investments in these higher-value segments.

Figure-8. The number of approved cases by the U.S. FDA from 2015 to 2024



Data Source: Advancing Health Through Innovation: New Drug Therapy Approvals 2024, Jan. 2025, p. 6 & 16, U.S. FDA.

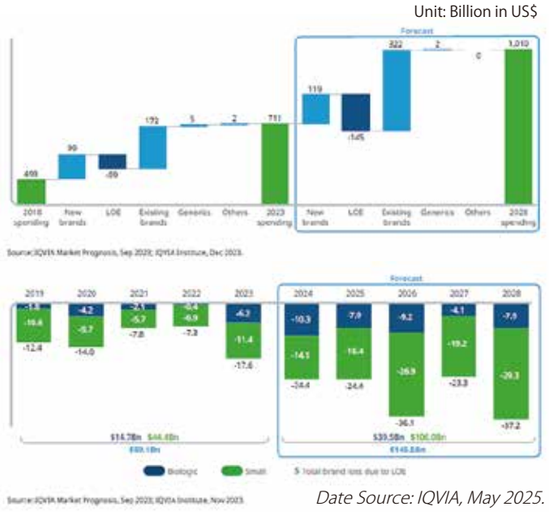
(b) Generic Drugs

The global generic drug market continues to expand as patents for originator drugs expire, alongside a growing aging population and an increasing prevalence of chronic diseases. Countries are therefore encouraging the use of generic drugs to curb the growth of healthcare expenditures. According to a research report by Precedence Research, the global generic drug market size was approximately US$464.98 billion in 2023 and is estimated to reach US$776.78 billion by 2033, with a compound annual growth rate of 5.2%. The United States and China are the primary markets.

The use of generic drugs helps alleviate the financial burden of healthcare expenditures in various countries. The proportion of generic drugs in physicians' prescriptions has exceeded 70% in these countries, and as generic drug prices are lower than patented drugs, with prices declining as more approvals for the same products are granted, currently approximately 90% of prescriptions issued in U.S. hospitals utilize generic drugs, meeting patients' medical needs and effectively reducing healthcare costs. For generic drugs approved between 2018 and 2020, they saved NT$53.3 billion in medical expenses in their first year after market launch. This indicates that the core market focus of generic drugs is to replace patented innovative drugs approaching patent expiration, as shown in [Figure-9]. However, their pricing advantage has also led to increasing cost pressures on generic drug manufacturers.

Figure 9. Growth Distribution for the US Drug Market

Unit: Billion in US$



Date Source: IQVIA, May 2025.

Based on statistics compiled by GlobalData for generic drug companies, the world's top 5 generic drug companies are Teva Pharmaceutical, Sandoz, Sun Pharmaceutical, Viatris Pharmaceutical, and Dr. Reddy's, as shown in [Figure-10]. Teva reported generic drug revenue of US$9.462 billion in 2024, representing an increase of 8.31% compared to 2023; however, growth in 2025 is projected to be only 4% year-on-year. Sandoz reported generic drug revenue of US$7.504 billion in 2024, representing a modest increase of 0.97% compared to 2023, while performance in 2025 is expected to improve with approximately 5% year-on-year growth. Generic drug companies are actively developing new strategies in response to the increasingly competitive market environment in order to enhance their competitiveness and market position.

Figure-10. Top 10 Global Generic Drug Sales Companies in 2024

Unit: 0.1 billion US$, %

Ranking	Manufacturer	2023	2024	Headquarters	Growth Rate
1	Teva Pharmaceutical	87.36	94.62	Israel	8.31
2	Sandoz	74.32	75.04	Switzerland	0.97
3	Sun Pharmaceutical	55.19	60.43	India	9.49
4	Viatris	55.88	54.93	US	-1.70
5	Dr. Reddy's	29.73	35.07	India	17.96
6	Cipla	30.83	33.30	India	8.01
7	Lupin	22.17	23.47	India	5.86
8	Zydus Lifesciences	19.36	19.98	India	3.20
9	Amneal Pharmaceuticals	14.72	16.85	US	14.47
10	Alkem Laboratiories	15.34	16.48	India	7.43

Data Source: 2025 Biotechnology Industry White Paper; Globaldata, May 2025.

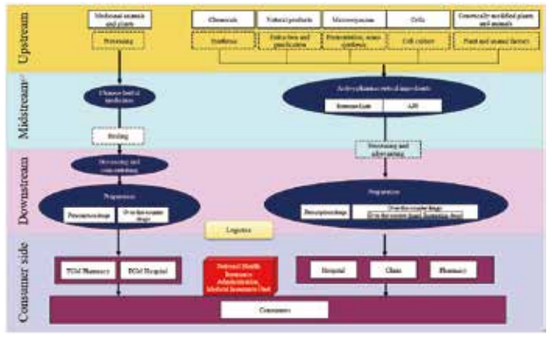
(3) Health Supplements

According to Euromonitor, the global functional food and beverage market size was US$602.3 billion in 2023, comprising US$466.4 billion in functional foods and US$135.9 billion in functional beverages. Research and Markets predicts that the functional food and beverage market will grow at a CAGR of 6.9% from 2024 to 2032, with the market size estimated to reach US$597.1 billion by 2032.

With respect to probiotics, according to a research report by The Business Research Company, the global functional ingredients market size was US$110.6 billion in 2023 and is estimated to grow to US$120.3 billion in 2024, representing an increase of 9.9%. It is expected to reach US$175.3 billion by 2028. Probiotics are expected to continue growing, primarily due to their connection with intestinal health, cholesterol reduction, and blood sugar control-related health benefits. According to research by Precedence Research, downstream food and beverage manufacturers will increase the addition of probiotics in various food products to enhance product value and attractiveness. This will drive the global probiotics market to grow at a CAGR of 8.8% over the next 6 years, with the market size estimated to reach NT$13.39 billion by 2030.

2. Interrelationships of Upstream, Midstream, and Downstream Segments in the Industry Pharmaceutical products may be broadly categorized into original developer drugs (Original) and imported or domestically produced bioequivalent generics (BE Generics). The structure of the domestic pharmaceutical industry may be divided into upstream, midstream, and downstream segments: the upstream segment consists of raw materials for drug production, including natural substances and general chemical compounds for Western pharmaceuticals; the midstream segment comprises the active pharmaceutical ingredient (API) industry and traditional Chinese medicine material processing ndustry; and the downstream segment involves the manufacturing of finished dosage forms and various sales channels. At present, Taiwan's pharmaceutical industry is generally positioned in the downstream segment. The Company and its subsidiaries primarily derive revenue from the manufacturing and sale of various Western pharmaceutical preparations, as well as contract manufacturing services for Western pharmaceuticals, and are therefore classified as downstream participants in the industry. The interrelationships among upstream, midstream, and downstream segments of the pharmaceutical industry are illustrated in [Figure-11]:

Figure 11. Upper, middle and downstream structure of Taiwan's pharmaceutical industry



Data source: Compiled by the ITIS program of DCB's Product Investment Group; Pharmaceutical Industry Yearbook (2015)

A. Upstream

The upstream segment consists of raw materials for drug production. Raw materials for Western pharmaceuticals include natural substances and general chemical compounds, primarily produced through chemical synthesis or emi-synthesis. Other sources include materials derived from plants, animals, minerals, animal organs, and microorganisms, as well as related tissues and cells. In recent years, due to advances in biotechnology, biopharmaceuticals are produced using genetic modification techniques, including tissue culture technologies or direct cultivation of plants or breeding of animals. Accordingly, biopharmaceuticals are primarily derived from biological sources and are developed through recombinant technologies into therapeutic or preventive proteins, monoclonal antibodies, or nucleic acid-based drugs.

B. Midstream

The midstream segment primarily comprises the API industry and the traditional Chinese medicine material processing industry. The API industry largely falls within the organic chemical industry, with different large-scale production methods depending on the source. For materials derived from natural sources, in addition to raw material preparation such as fermentation and cultivation, key process technologies include extraction, separation, and purification. For materials derived from general chemical compounds, the main process technologies involve complex organic synthesis as well as separation and purification. For materials produced through genetic engineering, processes include purification and recovery technologies.

C. Downstream

The downstream segment includes the Western pharmaceutical and traditional Chinese medicine industries. The Western pharmaceutical industry primarily processes APIs together with excipients, such as fillers, disintegrants, binders, lubricants, and emulsifiers, into convenient dosage forms.

High-barrier generic drugs and new formulation drugs are positioned as specialized development platforms in terms of R&D and manufacturing technology. The Company continues to invest in the development of high market niche specialty generics and 505(b)(2)new formulation drugs. The interrelationships among the upstream, midstream, and downstream segments are as follows:

Source: Compiled by the company internally.

3. Product Development Trends and Competitive Landscape

A. Product Development Trends

The Company and its subsidiaries currently have 3 main business categories: CDMO, global pharmaceutical sales, and health supplement sales. With respect to CDMO, Taiwan's Ministry of Health and Welfare Food and Drug Administration (TFDA), after undergoing a series of rigorous PIC/S evaluations, officially became the 43rd member of PIC/S on January 1, 2013, and fully implemented PIC/S GMP starting January 1, 2015. This also enables mutual GMP certification with other countries, eliminating the need for repeated inspections and reviews and demonstrating that Taiwan's pharmaceutical manufacturers are aligned with international markets.

In recent years, the trend toward industry chain development emphasizing specialization and the concentration of resources on core businesses has become increasingly evident. Professional outsourcing service providers have emerged across all segments of the industry chain, including disease target research, compound screening and development, clinical trials, contract manufacturing, and marketing. Depending on the requirements at different stages of product development, these services are generally categorized

as Contract Research Organizations (CROs) or Contract Manufacturing Organizations (CMOs). As the industry continues to consolidate, with frequent mergers and acquisitions, strategic collaborations for joint drug development, expansion of service offerings and regional markets, as well as the adoption of emerging technologies and entry into new therapeutic areas to enhance value-added services and increase output value, diverse and substantial business opportunities have been created for CROs and CMOs. These developments are expected to further drive the expansion of the pharmaceutical contractmanufacturing market.

Accordingly, the Company is actively developing its global Contract Development and Manufacturing Organization (CDMO) business while striving to meet high standards for on-time delivery and sufficient supply, thereby enhancing its overall industry competitiveness.

B. Product Competition

(A) Contract Development and Manufacturing (CDMO)

The Company's CDMO business has established multiple facilities for different dosage forms, both domestically and internationally, and has successfully integrated into the global pharmaceutical supply chain. Each facility possesses internationally recognized, high - quality pharmaceutical manufacturing capabilities. Domestically, the Company operates facilities in Tainan, Zhunan, Zhongli, and Taoyuan. In North America, it operates a facility in Canada, as well as newly added facilities in 2024, including a sterile injectable facility in Baltimore, Maryland, and a Maple Grove facility in Minnesota with an annual capacity of 5 billion units. Advancing along 3 dimensions (cost, differentiation, and supply chain resilience), the Company has estab lished localized manufacturing advantages in the United States. In addition, through its strategic alliance with Tanvex BioPharma, Inc., including a large-molecule facility in San Diego, the Company is able to provide comprehensive services spanning both small and large molecules, while achieving vertical integration from R&D to mass production, thereby establishing strong CDMO capacity and operational advantages. Currently, products manufactured under contract are exported to more than 100 countries worldwide, including the United States, Europe, Japan, Southeast Asia, Central and South America, and the Middle East. These products cover dosage forms such as oral solids, semi-solids, liquids, topical drugs, and sterile injectables. In addition, leveraging its one-stop service advantages for large molecules – from early – stage cell line screening, process development, and analytical methods to biologics development, mass production, and ultimately fill-finish – the Company will utilize these strengths to ensure stable annual growth in its CDMO business with the top 20 global pharmaceutical companies. At the same time, it will continue to actively seek additional international contract manufacturing opportunities and expand capacity to meet the needs of more biopharmaceutical clients, enabling Bora Group to become a company capable of competing with the top 10 global CDMO groups as soon as possible.

(B) Global Pharmaceutical Sales (Pharma Sales)

In terms of global pharmaceutical sales operations, the Company continues to develop high-value niche special generic drugs (ANDA) and new dosage form drugs (505(b)(2)), while also pursuing international licensing of differentiated or patented products to enhance the competitiveness of its proprietary portfolio and to meet the therapeutic characteristics and market needs across various medical specialties. According to IQVIA data, the Company's approved products ranked first in U.S. sales of newly launched generic drugs in November 2022. In 2024, the Company completed the acquisitions of Upsher-Smith, a century-old U.S. pharmaceutical company, and Pyros, a developer of atented rare disease drugs. By integrating Upsher-Smith's specialty pharmacy channels with Pyros's patented new dosage form "VIGAFYDE™," the Company has established rare disease brands and specialty pharmaceuticals as its core sales focus, delivering solid performance. The Company will continue to optimize its product portfolio and deepen its presence in specialty pharmaceuticals. The Company will continue to integrate group resources and focus on high-value R & D projects.

(C) Healthcare Product Sales

The subsidiary SunWay Biotech Co., Ltd. is actively developing its healthcare and personal care product business and continues to pursue agency rights for well-known international brands in Taiwan to enrich the Group's business and product portfolio. To date, it has secured agency rights in Taiwan for healthcare and personal care products from SSP, the third-largest pharmaceutical company in Japan's drugstore market, and Eisai Co., Ltd., as well as the exclusive marketing rights in Taiwan for BOIRON, a global leading brand in over-the-counter medicines from France. In December 2023, it entered into a cooperation agreement with Shionogi Healthcare Co., Ltd., obtaining exclusive distribution rights in Taiwan for its full range of health food and OTC product lines, thereby enhancing the uniqueness and diversity of its healthcare product offerings. Shionogi's healthcare nutrition brands, Vision Health and Temperature Plan, were first launched in October 2024. In addition, SunWay Biotech possesses extensive R & D experience in NTU568 Monascus and NTU101 lactic acid bacteria. Its red yeast extract (ANKASCIN 568) has obtained New Dietary Ingredient (NDI) recognition from the U.S. FDA and is also the world's first manufacturer to assist the United States Pharmacopeia Convention (USP) in establishing specifications for red yeast dietary supplement ingredients in the United States Pharmacopeia. As a result, SunWay Biotech is currently the only manufacturer in the world capable of legally supplying raw materials for red yeast dietary supplement applications to the U.S. market.

(III) Technology and R&D Overview

1. Technical Level and R&D Overview of Business Operations

A. Technical Level of Business Operations

Our pharmaceutical manufacturing plants within the Group are capable of producing a wide range of dosage forms, including solid dosage forms such as tablets (uncoated, film-coated, and sugar-coated), capsules, and granules, as well as sterile injectable filling formulations required for products such as eye drops, ophthalmic ointments, and biopharmaceuticals (including solid forms such as lyophilized powders, liquid solutions, and pre-filled syringes). We provide comprehensive services spanning from clinical development to commercial -scale production, including analytical and stability testing, cold-chain storage, and semi-automated packaging.

We also possess small-, medium-, and large-scale equipment for controlled-release pellet formulations and are among the few facilities designed for large-scale controlled-release film coating using organic solvents. As such, we have established technical capabilities covering multiple pharmaceutical dosage forms.

In 2024, our large-molecule technology formally advanced into the pre-IND development stage for novel antibody formats, including multi-specific immune checkpoint T-cell engager antibodies. These expression vector-based products involve highly complex molecular structures, presenting significant challenges in process development and analytical methodologies. In addition, we have made substantial progress in Antibody-Drug Conjugates (ADCs), with the capability to handle cytotoxic substances and produce TOX materials. The Company will continue to enhance its process technologies and manufacturing capabilities through ongoing product development.

B. Research and Development

(A) Enhancement of Process Technology Capabilities

a. Development of process technologies for various dosage forms:

Currently, the Group's pharmaceutical manufacturing plants include the Baltimore, Maryland facility, which produces sterile injectable dosage forms, including solid (lyophilized powder), liquid formulations, and pre-filled syringes. The Canadian facility manufactures tablets, liquids (oral solutions and nasal sprays), and semi-solid dosage forms (gels, creams, and ointments), and holds multiple international standard certifications, making it an internationally recognized high -quality pharmaceutical manufacturing facility. The Tainan plant currently has tablet, capsule, and granule product lines. In addition to oral solid dosage form production ines, the Zhunan plant also possesses production lines and technical capabilities for oral multiple extended-release capsules. The Zhongli plant and the Taoyuan plant can produce various oral solid dosage form pharmaceuticals, as well as laser-drilled controlled-release dosage forms, suspensions, and sterile ophthalmic preparations, with products primarily exported to the U.S. market. The Company will continue to expand production lines for different dosage forms in response to new product development or contract manufacturing needs. For example, the Zhunan plant has added a spray drying production line, the sterile injectable production line at the Baltimore, Maryland facility has been upgraded to the automated high-speed FlexPro line, and the dermatological filling production line at the Canadian facility has been expanded. The Company will continue to develop process technologies for various dosage forms and provide comprehensive support services, from clinical development through commercial-scale production, to meet the needs of international biotech and pharmaceutical clients and secure large-scale orders.

b. Process Scale-up Technology Development:

The Company can fulfill customer needs at various stages of contract manufacturing, including technology transfer, trial production, batch scale-up, and commercial mass production. Contract manufacturers initially require small-batch production to test market acceptance. The contract manufacturer must be able to meet customers' small-batch production needs and, once the market expands, rapidly scale up production volumes to meet market supply demands. In this regard, the Group currently possesses manufacturing facilities capable of producing various dosage forms with different capacities and outputs to accommodate contract customers' needs. Combined with high scheduling flexibility and a professional project management department, the Company offers extremely high production flexibility to meet customer requirements across various batch sizes and diverse packaging needs. The Zhunan facility is equipped with both medium-scale and large-scale production areas, enabling it to meet capacity and shipment requirements for major overseas markets (such as the United States) and to scale or adjust production volumes and batch sizes accordingly. The Zhongli facility provides a technical platform for hormones and small-batch, highly differentiated products, and supports all regulatory filing requirements. The Canadian facility includes a small-scale pilot plant capable of supporting customers from development through scale-up to mass production. This facility also specializes in semi-solid topical dermatological products and has become a preferred contract

manufacturing partner for global dermatology pharmaceutical companies. The Baltimore, Maryland, facility provides sterile injectable fill-finish services for local U.S. customers.The Maple Grove facility in Minnesota (Maple Grove) spans 612,396 square feet and has an annual production capacity of 5 billion units. The facility includes fully integrated manufacturing, packaging, QA/QC, pilot, and warehousing and logistics areas. It is positioned as a technical platform for large-scale manufacturing of high-barrier small molecule oral dosage forms, establishing 3 key advantages in cost, differentiation, and supply chain resilience. The Group's pharmaceutical manufacturing operations have exported products to approximately 100 countries worldwide, with the world's top twenty pharmaceutical companies accounting for approximately 30% of CDMO service revenue.

(B) In-house Drug Development

a. New Formulation Drugs (505(b)(2)):

Development of new formulation drugs to create product differentiation and establish proprietary technologies. The primary development focus is on new dosage forms, new dosages, or new formulations, with clinical trials conducted to evaluate efficacy, thereby strengthening key marketing strategies for dosage form development and enabling the development of high-barrier specialty pharmaceutical products.

b. Specialty Generic Drugs:

Development targets high market niche generic drugs, including those with substantial market demand or high technical barriers.

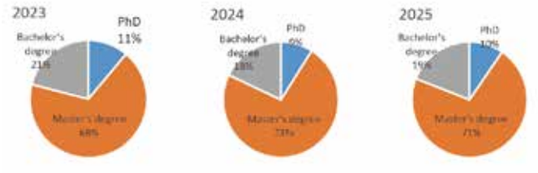
2. Research and development staff and their academic experience[TF1.1]

(1) Number of research and development staff and their years of experience

Unit: Number of people; Year

Item \ Year	2023	2024	2025
Number of People	81	78	64
Average Years of Service	2.57	2.28	8.83
Average Years of Research and Development	9.09	9.18	9.75

(2) Research and development staff and their academic



3. Research and development expenses for the last 2 years

Unit: NT$ thousands; %

Item \ Year	2024	2025
R&D Expenses	694,487	672,207
Net Revenue	19,245,907	19,014,169
Percentage of Net Revenue	3.61	3.54

4. The last 5 years of successful technology or product development

(1) The Company and the Subsidiaries' technology or products successfully developed or under development in the last 5 years:

Year	Technology or products successfully developed or under development in the last 5 years
2021	• Complete the client's new drug clinical phase II to III formulation development, optimization, and mass production.
2022	• The Company has obtained the US FDA product certificate for Dexlansoprazole DR Caps, which is mainly used to treat the reverse flow of the gastrointestinal tract.
2023	—
2024	• The Company has obtained US FDA product certifications for VIGADRON and VIGAFYDE, which are primarily used to support children's behavioral adaptation. • The Company has obtained the certificate for the product TORPENZ (everolimus), which is mainly used to treat children with hypercholesterolemia and metabolic syndrome. • The Company has obtained the US FDA certificate for Deflazacort, a product mainly used to treat the muscle atrophy of Down syndrome.
2025	—

(IV) Short- and Long-term Business Development Plans

1. Short-term Business Development

A. Continue to expand market share in core therapeutic areas in the United States

(A) Agency and Distribution

In response to intensifying competition in the U.S. pharmaceutical market and increasing R&D risks, the Company will expand its product sourcing to include co-development, acquisition of product rights, agency, and distribution to fully leverage Upsher-Smith's sales network strength. In particular, specialty channels will serve as the primary direction for future product portfolio deployment, further enhancing market share.

(B) Self-licensed Products

The Company's North American sales of Dexlansoprazole DR Capsules (DLS) for gastroesophageal reflux disease and Potassium Chloride ER Tablets (KCl) have performed strongly. In addition, with the inclusion of Upsher-Smith and Pyros into the Group in 2024, encompassing generic drugs and rare disease specialty medications, the total number of self-owned drug approvals has increased to 88, with commercialized product offerings covering branded drugs, branded generics, and high-barrier PIV generics. The business and marketing teams of TWi USA and Upsher-Smith completed their integration in 2024, and all U.S. drug sales have been consolidated under the Upsher-Smith brand. Following the acquisition in October 2024 of the " ready-to-use " oral solution VIGAFYDE developed by Pyros, the Company has incorporated the only FDA-approved ready-to-use vigabatrin formulation into its portfolio, further expanding its niche market. Meanwhile, by leveraging the local resources of its U.S. subsidiaries, the Company is actively collaborating with Upsher-Smith's established rare disease and specialty pharmacy channel teams to evaluate and optimize its R&D portfolio, accelerating the initiation and development of new formulations and generic drugs for 3 central nervous system rare disease products. Looking ahead, the Company expects to sustain the strong marketing momentum of the complete three-formulation vigabatrin portfolio established in 2024, laying the foundation for the newly launched branded generic TORPENZ™ (everolimus) to become a market-leading brand in rare disease markets such as pediatric epilepsy and tuberous sclerosis complex. The Company will continue to focus on pediatric epilepsy and tuberous sclerosis complex, a genetic disorder that causes pediatric epilepsy, to support the ongoing transformation of the Bora Group's global sales business and to diversify the risk of its previous reliance on a single generic drug.

Furthermore, rare disease and specialty pharmaceuticals benefit from government regulations and insurance support when distributed through high-barrier specialty pharmacy channels, resulting in fewer competitors and greater price stability. These products can directly reach specific patient populations, creating a pronounced long-tail effect. Going forward, the Company will further integrate regulatory and R&D capabilities to enhance its long-term competitiveness and value.

B. Enhancing CDMO Business Growth through a Precise Order Acquisition Strategy

In 2025, the Company will have cumulatively completed the development and production of 2.5 billion dosage units and assisted customers in successfully launching117 products, with its contract manufacturing for international clients continuing to expand. Going forward, the Company will establish a resilient, one-stop supply chain portfolio based on clearly defined order positioning for each facility, targeting large-scale orders across multiple product molecules to achieve mid-term growth objectives. At the same time, capital expenditure plans will be evaluated prudently and precisely, with capacity upgrades aligned to customer demand.

C. Expanding CDMO Opportunities for Health Supplement Ingredients

In November 2023, the Company acquired SunWay Biotech through a reverse merger. Its best-selling products, "Niangjia Probiotics" and "Niangjia Red Yeast Rice," developed in collaboration with Formosa TV, have established a presence in Taiwan's health supplement market. The Company will continue to invest in brand opportunities and, through private-label health supplement brands supported by clinical validation capabilities, will expand into CDMO opportunities for health supplement ingredients, establishing a second growth curve for its subsidiaries.

2. Long-term Business Development Plans

A. Actively Expanding Overseas Markets

The Company currently has 3 major operational bases in North America, including a facility in Canada, the Maple Grove facility in Minnesota, and a sterile injectable facility in Maryland. In addition, through strategic investments, the Company has access to a large-molecule biologics facility in San Diego. Going forward, North America will the primary region for deploying specialized process technologies and expanding CDMO operations.

B. Continued Development of Proprietary Products

The Company continues to develop proprietary products, including generic drugs and new formulation drugs, based on its proprietary drug delivery technologies. In the future, it will conduct domestic and international pharmaceutical sales through collaborations with international marketing partners as well as through the establishment of its own distribution channels.

C. Focusing on Innovative Drug Selection to Strengthen the Product Portfolio

The Company is committed to addressing unmet medical needs through innovative drugs, focusing on improving small-molecule drug formulations to maximize efficacy, minimize side effects, and enhance ease of use. Going forward, the Company will adopt a more proactive business development strategy, selecting products that can immediately address key pain points in drug usage, and obtaining commercialization rights through co-development or other approaches.

II. Market and Product Overview

(I) Market analysis

1. Main product sales regions: Taiwan, United States, Europe and others.

Unit: NT$ thousands

Region	2024 Revenue	Geography Ratio(%)
Domestic Sales	1,429,525	7.43
Export Sales	17,816,382	92.57
Total	19,245,907	100.00

2. Future market supply and demand and future growth

The pulse of the global pharmaceutical industry will

be influenced by the following key factors that will affect future market supply, demand and growth:

A. The increasingly aging global society

The United Nations Department of Economic and Social Affairs released the 2022 World Population Prospects report, projecting a global population of 9.7 billion by 2050, with approximately 16.4% aged 65 and above. This demographic shift towards an aging population is expected to drive growth in the market for pharmaceuticals related to treatments for elderly patients and chronic diseases.

B. The global pharmaceutical market continues to grow steadily

According to the latest IQVIA statistical report, the global pharmaceutical market size reached approximately US$1.75 trillion in 2024, representing growth of approximately 8.89% from US$1.6 trillion in 2023. It is estimated that the global pharmaceutical market will achieve a compound annual growth rate (CAGR) of 7.5% over the 5-year period from 2025 to 2029, with the total market size projected to reach US$2.4 trillion by 2029. In the generic drug market, governments worldwide are actively promoting the use of low-cost, high-quality generics to replace branded drugs as a means of controlling pharmaceutical spending and restoring fiscal balance. The accelerating global aging population trend, has led governments to aggressively cut healthcare costs by promoting the use of generic drugs over expensive branded medications. As a result, the global generic drug market continues to grow steadily. According to a survey report by ResearchAndMarkets, the global generic drug market is expected to increase from US$361.7 billion in 2022 to US$ 682.9 billion by 2030, with a compound annual growth rate of 8.3%.

The Company and its subsidiaries will adapt to changes in market and supply-demand dynamics by adjusting the business model. Instead of relying solely on a few best-selling drugs to generate profits, we will focus on diversifying our product portfolio and sales territories to enhance profitability.

3. Competitive niche

A. Diversified access, with advantages and reputation

Upsher-Smith has over a century of experience on pharmaceuticals sale in the United States. It maintains the strong relationships with various specialist clinics, medical centers, regional hospitals, insurance reimbursement systems, and specialist distributors. It also actively cultivates professional sales talent to expand the market and has established itself as a leader in the pediatric neurology drug market. Furthermore, we have an experienced sales team for international markets. Through a combination of in-house research and development, original manufacturer authorizations, external procurement, or agency sales, we have successfully penetrated the U.S. market and established our own sales platform. This enables us to deliver long-term, stable growth in international sales operations.

B. High - quality production environment and internationally certified pharmaceutical companies, as well as pharmaceutical companies with production and sales channels and extensive product lines.

Our Company's Tainan site, Zhunan site, Zhongli site, Taoyuan site, Mississauga site, Maryland site, and Maple Grove site all possess high-quality production standards and technology. The production, manufacturing, and sales of pharmaceuticals involve time-consuming professional certification procedures and quality control. These facilities meet strict, specific requirements for manufacturing processes and quality, conforming to international pharmaceutical companies' standards.

Bora is one of Taiwan's largest pharmaceutical manufacturers, with comprehensive CDMO production lines. The Company's customer service areas cover all major global markets, providing CDMO services without time difference constraints. The Company will continue to pursue vertical and horizontal integration, seeking advanced technologies that address market pain points, while continuously expanding technical scope and production scale, with the goal of becoming an internationally leading CDMO pharmaceutical company.

C. Leveraging High-Threshold Drug Development and Manufacturing Technologies to Enhance Diverse Product Portfolio and Sustain Growth Momentum.

The Company's business focus is on the dual growth engine, the pharmaceitucal and CDMO business. In terms of business model, it can also support the Company's other core capabilities, namely the rapid launch of products and a diversified product portfolio, to create sales opportunities. The Company is an indispensable part of the globally leading chemical manufacturers in the field of technology, laws and regulations, or consumer markets in North America. Last year, the Company's business in the US performed well. The total number of overseas employees has exceeded the number of domestic employees. The Company has successfully commercialized high market potential special chemicals and 505B2 new compounds. It is well acquainted with the US medical regulations, market competition and technology analysis, and is highly competitive.

The Company's competitive advantages in research and development:

- Prescription Innovation Design and Development: Possessing innovative prescription design and development capabilities, along with comprehensive analytical development, confirmation, and testing techniques.
- Clinical Trial Design for Bioequivalence and Pharmacokinetics: Designing clinical trials for bioequivalence in compliance with FDA regulations to control costs precisely and prove the bioequivalence of special generic drugs to brand-name drugs.
- Manufacturing facilities that meet regulatory standards: For US-marketed pharmaceuticals, the entire production and manufacturing process must comply with US cGMP regulations. Our company already has several manufacturing sites that have passed U.S. FDA inspections.
- Regulatory submissions and applications: TWi Pharmaceuticals has submitted multiple ANDA applications in the US, accumulating extensive experience in writing and preparing ANDA application documents. With the addition of professional teams from Upsher-Smith and Pyros, we have significantly enhanced our R&D application capabilities.
- Drug Development Speed: The Generic Drug User Fee Act (GDUFA), implemented by the FDA since October 2012, charges application fees for ANDA submissions and maintenance fees for generic drug manufacturing facilities, thus expediting the review and approval process. Leveraging the efficiencies provided by the GDUFA Act, accelerating drug development speed to enter the market promptly and share the market with brand-name drugs will be one of the operational priorities for special generic drug manufacturers.
- Familiarity with the US pharmaceutical market: The Company has completed the integration of TWi Pharmaceuticals, Upsher-Smith's US teams, and Pyros, which specializes in the development of rare-disease specialty pharmaceuticals. With extensive experience in the US pharmaceutical market, we have enhanced our ability to select and develop niche specialty generic drugs that meet market demands. Additionally, in the development of new dosage forms and generics for central nervous system rare disease medications, we have significantly increased our development capacity. Once development is completed and marketing authorization is obtained, we can generate profits through well-established collaborative sales models and platforms.

4. Favorable and unfavorable factors for future development and response measures

A. Favorable factors

(A) Taiwan's pharmaceutical market is growing due to its aging population and rising living standards

Due to the gradual aging of the population in our country, there has been a significant increase in demand for medical care for the elderly and chronic disease patients. With the rise in national income and overall improvement in living standards, people are paying more attention to health insurance and medical quality. Therefore, the demand for pharmaceuticals is expected to continue to increase in the future. According to a report by the National Development Council

(B) Compliant with the trend of PIC/S GMP pharmaceutical manufacturing facilities and the professional division of labor

Under the influence of technological advances and the impact of market globalization, international safety requirements for pharmaceuticals are constantly increasing. Without a pilot facility, traditional pharmaceutical companies face uncertainties in the early stages of new product development, and using their own R&D and production lines is bound to divert resources from existing products, causing delays and higher relative development costs. Therefore, traditional pharmaceutical companies have started to try to outsource CDMO in recent years to reduce risks and enhance their competitiveness.

(C) Outstanding Research and Development Achievements and Experience, Investing in Niche Specialty Generic Drugs to Sustain Growth Momentum

Upsher-Smith and subsidiary TWi Pharmaceuticals have extensive experience with US pharmaceutical manufacturers, and its research team possesses strong expertise and capabilities. After product validation, it can immediately establish its own sales channels through the establishment of a subsidiary in the United States, thereby increasing its control over marketing channels in the US market. Coupled with excellent product selection capabilities, it has established a comprehensive product selection strategy to reduce the risk of development failures. In particular, it has developed practical experience and capabilities in executing/managing clinical trials and has extensive experience in dosage form development, making it highly competitive. Additionally, our company's Contract Development and Manufacturing Organization (CDMO) can provide CDMO services in addition to its own generic drug development business. Furthermore, as countries worldwide actively reduce spending on pharmaceuticals, affordable generic drugs are prioritized over expensive branded drugs. The United States, as the world's largest healthcare market, is favorable to generic drug manufacturers.

B. Adverse factors and countermeasures[TF3.1]

(A) Global drug pricing pressures have shifted from cyclical to structural.

[MC4.1] Bora's "dual-engine strategy" directly exposes its global pharmaceutical sales to downward pressure on drug prices, especially its Upsher-Smith generic drug portfolio. Global drug pricing pressure has evolved from cyclical adjustments to a structural norm. Medicare drug price negotiations under the US IRA have created a permanent price ceiling. While generic drugs can maintain reasonable profits in the early stages of patent expiration, price erosion becomes severe when five or six or more competitors emerge that only the lowest-cost manufacturers can survive.

Response Measures:
The company continues to adjust its product portfolio, reducing sales of low-margin generic drugs and shifting towards specialty drugs and branded drugs. However, product transformation takes time and requires actively building new self-developed or externally acquired cases. During the transition period, revenue and gross margin were temporarily under pressure in 2025. Upsher-Smith and Pyros, which were acquired in 2024, have cultivated local specialty channels in the United States. Through patented drugs for rare central nervous system diseases, they have successfully strengthened the product portfolio, diversified revenue sources, and reduced the impact of price competition from generic drugs.

(B) How the progress and success of proprietary product development will affect the Company's operations

When investing in the development of its own pharmaceuticals, the Company must consider development progress and the risks it can bear in terms of success or failure. If the results of research and development cannot be successfully converted into sales of its own products to contribute to operating income, it will pose risks to the Company's future operations and profits.

Response Measures:
To reduce the impact of development progress and success/failure rates of its proprietary drugs, the Company first stabilizes its core businesses of pharmaceutical contract manufacturing and sales, then invests a portion of profits into proprietary product development. This approach avoids the risk of operational losses, preventing the completion of its own product development. The subsidiary Upsher-Smith's main pharmaceutical customers include the top 10 major pharmaceutical distributors in the United States, and it possesses special pharmacy sales channels in the rare disease medication market. Having fully established a domestic generic drug sales platform in the United States, Upsher-Smith can gather first-hand market information and respond promptly to market dynamics, further strengthening the Company's sales competitiveness in the US market. The Company continues to implement a " high-efficiency " innovation strategy, focusing on high-barrier specialty generic drugs and specialized medications to maintain market competitive advantages.

(C) Geopolitical restructuring and fragmentation of the global pharmaceutical supply chain

The global pharmaceutical industry is undergoing its most dramatic supply chain restructuring in decades. Pharmaceuticals are no longer simply a public health issue, but are becoming a measure of national power and a governance tool. Governments are increasingly recognizing that pharmaceutical supply chains can be disrupted by pandemics, geopolitical tensions, or export restrictions. The United States and the European Union are actively promoting reshoring and friend-shoring policies, while China continues to solidify its position as a global center for API manufacturing and the export of innovative drugs. More than 42% of global pharmaceutical companies will experience supply chain disruptions related to geopolitical tensions by 2025, and by 2030, outsourcing dependence is projected to rise to 58% to 62% of the total pharmaceutical industry output.

Response Measures:
The company has successfully established manufacturing sites across Taiwan, the United States, and Canada. The global supply chain is gradually becoming fragmented, and while a more self-sufficient model means higher costs and more complex compliance structures, putting pressure on long-term operational efficiency. It also provides the Company with new opportunities for breakthrough development. The supply chain is gradually shifting from a centralized model focused on maximizing efficiency to a decentralized structure centered on regional self-sufficiency.

This structural transformation also presents the company with unique strategic opportunities. Bora already possesses FDA-approved production capacity for oral solid dosage forms , sterile injections, and large-molecule biologics in North America, while maintaining sizable manufacturing bases in Taiwan and Canada. This allows the company to directly respond to the increasingly urgent needs of international pharmaceutical clients for "local manufacturing and local supply." The company will continue to deepen the integration of technology platforms and capacity complementarity mechanisms among its various manufacturing sites, operating under a "one quality system, multiple manufacturing nodes" model to meet regional regulatory requirements while maintaining group-level manufacturing efficiency and cost competitiveness. We believe that in the long-term process of global supply chain restructuring, CDMOs that have taken the lead in completing multi-country deployments and possessing cross-dosage form manufacturing capabilities will enjoy a lasting structural advantage.

(II) Major product applications and manufacturing processes

Below are the main types of sales and services offered by our company:

Product Items	Major Applications or Functions
Western Pharmaceuticals	Includes central nervous system medications, antibiotics, and gastrointestinal medications. Central nervous system drugs are mainly used for the prevention and treatment of sedation, tranquilization, and sleeping. Gastrointestinal drugs are primarily used to prevent and treat gastrointestinal diseases. The main purpose of antibiotics is to inhibit bacterial growth or kill them. The main products include Dexlansoprazole DR Caps, VIGADRONE and VIGAFYDE for treating children's adaptation to eating disorders, TORPENZ (everolimus) for treating children's eating disorders and systemic degeneration, and Deflazacort for treating muscle degeneration in Down's Syndrome.
Health Care Products	Nutritional supplements, physical recovery, vitamin supplements and health care products, etc.
Income from CDMO	The Company's revenue from CDMO services and technical services for the development of pharmaceutical products.

(III) Supply of major raw materials

The sources of raw materials' supply for the Company and its subsidiaries are divided into domestic purchases and foreign imports. The Company maintains long-term, close collaborative relationships with domestic manufacturers, and raw materials are imported from abroad mainly through traders. Raw materials and suppliers are appropriately evaluated before collaboration. The Company maintains friendly relationships with alternative raw material suppliers and purchases raw materials in a decentralized manner. Therefore, the Company and its subsidiaries do not rely on a single supplier for raw materials and have not experienced any material shortages.

(IV) The names of customers who have accounted for more than 10% of the total purchase (sales) in any of the last 2 years and the amount and proportion of their purchase (sales), together with the reasons for the increase or decrease

1. The names of customers who have accounted for more than 10% of the total purchase in any of the last 2 years and the amount and proportion of their purchase, together with the reasons for the increase or decrease

There's no single supplier has accounted for more than 10% of the company's net purchases in the past two years.

2. The names of customers who have accounted for more than 10% of the total purchase in any of the last 2 years and the amount and proportion of their purchase, together with the reasons for the increase or decrease

Item	2024			
	Name	Amount	Percentage of Net Purchase (%)	Relations with the Issuer
1	Company C	2,886,527	15.00	None
2	Company D	2,222,739	11.55	None
3	Company A	2,186,402	11.36	None
4	Company B	1,839,530	9.56	None
5	Company E	1,639,172	8.52	None
6	Other	10,110,709	62.09	—
Total	Net Sales	19,245,907	100.00	—

Item	2025			
	Name	Amount	Percentage of Net Purchase (%)	Relations with the Issuer
1	Company A	3,665,972	18.54	None
2	Company B	1,701,213	8.61	None
3	Company F	1,566,977	7.93	None
4	Company E	1,419,599	7.18	None
5	Company C	1,293,846	6.55	None
6	Other	10,122,710	51.19	None
Total	Net Sales	19,770,317	100.00	—

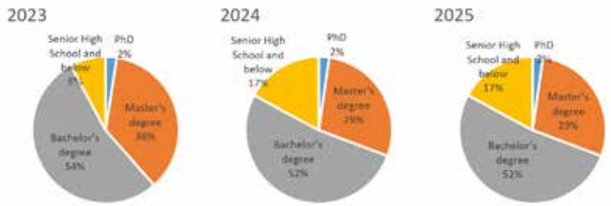
Explanation for any increase or decrease:
A. A Company: The change in rsales revenue was mainly due to increased demand from end customers.
B. B Company：The changes in related sales figures are mainly due to changes in end customers' demand.
C. F Company and C Company: F Company and C Company belong to the same group, the transaction amounts of the Company and its subsidiaries with the Group generally fluctuate with market demand, with little change from year to year.
D. E Company: The change in rsales revenue was mainly due to increased demand from end customers.

III. Number of workers, average length of service, average age and education distribution of employees in the industry for the last 2 years and as of the printing date of the annual report

1. Number of employees, average years of service, average age

Year		2023	2024	2025
Number of Employees	Direct	542	659	494
	Indirect	891	1,596	1,439
	Total	1,433	2,255	1,933
Average Age (years old)		41.09	41.67	42.09
Average Years of Service (Years)		6.59	6.93	6.56

2. Education background distribution



IV. Environmental Protection Expenditure Information[TF5.1]

(I) Total losses (including compensation) and penalties for environmental pollution for the most recent year and up to the date of printing of the annual report: None.

(II) Future countermeasures and possible expenses:

The environmental permit and expenditure information for each of the Company's and subsidiary's plant locations:

1. Application for pollution facility installation permit or pollution emission permit:

(1) The Company's Tainan plant, our subsidiary Bora Pharmaceutical Laboratories Pharmaceuticals Co., Ltd. (hereinafter referred to as 'Subsidiary Bora Pharmaceutical Laboratories'), and subsidiary SunWay Biotech Co., Ltd. (hereinafter referred to as 'SunWay'), employs one professional operator and holds a water pollution prevention permit (permit number: Permit No. 05743-02 issued by the Environmental Protection Bureau of the Tainan City Government.).

Item	License and content
Stationary pollution source prevention and control permit	Subsidiary Bora Pharmaceutical Laboratories was granted the fixed pollution source organic solvent operating procedure (M01) operation permit (reference No.: Hsinchu Science Park Administration Hsinchu Science Park Huanan No. 1130000942) by the Hsinchu Science Park Bureau, National Science and Technology Council on January 5, 2024 (Hsinchu-Huanan-Zhi-Huan-Zi No. 1130000942). The validity period is from December 29, 2023 to June 30, 2026; and the boiler steam generation procedure (M02) operation permit (reference No.: Hsinchu-Huanan-Zhi-Huan-Zi No. 248-05) was granted on March 22, 2023 (Hsinchu-Huanan-Zhi-Huan-Zi No. 1120010118). The validity period is from August 13, 2023 to August 12, 2028. Subsidiary SunWay have no fixed pollution sources.
Pollution control permit	The Company applied to the Tainan City Government Environmental Protection Bureau for approval of water pollution prevention measures on November 28, 2023 (Permit Number: Environmental Water Letter No. 1120152930). Approval letter for the subsidiary, Bora Pharmaceutical Laboratories Water Treatment and Management System: Hsinchu Science Park Administration, September 15, 2014, Zhong-Huan-Zi No. 1030027715 Subsidiary SunWay is not required to obtain pollution discharge management permits.
Water Pollution Control Permit	The Company obtained the water pollution prevention permit document from the Tainan City Government on November 28, 2022 (Permit Number: Environmental Water Letter No. 05743-03 issued by the Tainan City Government), valid from October 18, 2023 to October 17, 2028. Subsidiary Bora Pharmaceutical Laboratories has been approved by the Hsinchu Science Park Administration on July 31, 2024 (Zhulu Huan Zi No. 1130025050) for a water pollution prevention and control measure plan (with permit number: Zhoko Huan Zi No. KS036-11). The effective period is from August 5, 2024 to August 4, 2029. Subsidiary SunWay is not required to apply for a water pollution prevention permit."
Business waste removal plan	The Company applied for amendments to the business waste cleanup plan approved by the Tainan City Government Environmental Protection Bureau on November 3, 2020 (Control Number: D9700625), with Permit Number: Environmental Affairs Letter No. 1090128567. Subsidiary Bora Pharmaceutical Laboratories was approved by the Hsinchu Science Park Administration, National Science and Technology Council, to change its business waste disposal plan (controlled reference number: K71A2160) on January 2, 2025 (Zhulu Huan Zi No. 1140000396). Subsidiary SunWay is not required to apply for a business waste cleanup plan.
Toxic chemical substance approval documentation	The Company issued the "Toxic Chemical Substances Approval Document" (amendment extension) on April 30, 2024, with the approval reference number of Tainan City Tox. Approval No. 000020, valid until July 15, 2029. The scope of approval and the control number and serial number of toxic chemical substances: 04501, 05201, 05401, 05502, 05518; 06401, 07301, 07501, 07901, 08201, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 12101, 12901, 14201, and 18301, totaling 22 cases. 32 cases including Yi-Bang-Zi No. 000044 (toxic chemical substance approval document), Yi-Bang-Zi No. 04301, Yi-Bang-Zi No. 04501, Yi-Bang-Zi No. 04602, Yi-Bang-Zi No. 05201, Yi-Bang-Zi No. 05401, Yi-Bang-Zi No. 05502, Yi-Bang-Zi No. 06101, Yi-Bang-Zi No. 06806, Yi-Bang-Zi No. 07201, Yi-Bang-Zi No. 07301, Yi-Bang-Zi No. 07501, Yi-Bang-Zi No. 07901, Yi-Bang-Zi No. 08201, Yi-Bang-Zi No. 08901, Yi-Bang-Zi No. 09501, Yi-Bang-Zi No. 09701, Yi-Bang-Zi No. 09801, Yi-Bang-Zi No. 10401, Yi-Bang-Zi No. 10501, Yi-Bang-Zi No. 10801, Yi-Bang-Zi No. 11501, Yi-Bang-Zi No. 11601, Yi-Bang-Zi No. 11701, Yi-Bang-Zi No. 12601, Yi-Bang-Zi No. 14201, Yi-Bang-Zi No. 14601, Yi-Bang-Zi No. 16001, Yi-Bang-Zi No. 17801 and Yi-Bang-Zi No. 18501, totaling 32 cases. Subsidiary SunWay obtained the Toxic Chemical Substances Approval Document on October 28, 2021, with Approval Number: Taipei City Toxic Core Letter No. 000321, valid until May 5, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 07901, 09802, 10401, and 10501, totaling 4 types.

(2) The Company directly owns the subsidiary Bora Pharmaceutical Laboratories, which has 2 facilities in Zhongli, namely Zhongli Plant 1 and Zhongli Plant 2:

Item	License and content
Stationary pollution source prevention and control permit	Zhongli Plant 1 obtained the Fixed Pollution Source Pharmaceutical/General Manufacturing Process - Western Medicine Tablet Manufacturing Process (M01) Operation Certificate issued by the Taoyuan City Government on May 6, 2021 (Permit Numbers: Taoyuan Environmental Permit No. 1100109643, Operation Certificate No. H6905-00).
Pollution control permit	Zhongli Plant No. 1 applied to the Chungli Industrial Park Service Center, Industrial Development Bureau, MOEA, for the wastewater (effluent) from the industrial park users to be included in the sewage sewer system of the industrial park on February 7, 2025. Text No.: Northli-Zi No. 1145140522. Zhongli Plant No. 2 applied to the Chungli Industrial Park Service Center, Industrial Development Bureau, MOEA, for the wastewater (effluent) from the industrial park users to be included in the sewage sewer system of the industrial park on February 12, 2025. Text No.: Northli Zi No. 1145140544.
Water Pollution Control Permit	Zhongli Plant 1 applied for the Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on March 17, 2023 (Permit Numbers: Taoyuan Environmental Discharge Letter No. H4198-01, Taoyuan Environmental Water Letter No. 1120212406), valid until April 18, 2028. Zhongli Plant 2 applied for the Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on September 11, 2023 (Permit Numbers: Taoyuan Environmental Discharge Letter No. H3334-02, Taoyuan Environmental Water Letter No. 1120361883), valid until October 14, 2028.
Business waste removal plan	Zhongli Plant 1's business waste cleanup plan modification application was approved by the Taoyuan City Government Environmental Protection Bureau on September 18, 2024 (Control Number: H4314363), with the approval number for the cleanup plan being H09512270001. Zhongli Plant 2's business waste cleanup plan modification application was approved by the Taoyuan City Government Environmental Protection Bureau on September 27, 2021 (Control Number: H43B8800), with the approval number for the cleanup plan being H10208120003.
Toxic chemical substance approval documentation	Zhongli Plant 2 obtained the Toxic Chemical Substances Approval Document on November 28, 2024, with Approval Number: Taoyuan City Toxic Core Letter No. 000142, valid until January 12, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 03801, 04301, 04501, 04601, 04602, 05201, 05301, 05301, 05401, 05501, 05502, 05518, 06101, 06401, 06601, 07102, 07201, 07301, 07501, 07901, 08001, 08002, 08101, 08201, 08301, 08601, 09001, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 10501, 10501, 10601, 10801, 11201, 11501, 11601, 11701, 11901, 12101, 12301, 13401, 13402, 14201, 14301, 14601, 16001, 16502, 17601, 17801, 17901, 18501, totaling 55 types. Zhongli Plant 2 obtained the Chemicals of Concern Approval Document on February 16, 2024, with Approval Number: Taoyuan City Concern Core Letter No. 000156, valid until February 19, 2028. The permitted operations and the managed chemicals of concern are listed with codes and serial numbers: E00103, E00301, F00101, L00201, totaling 4 types.

(3) Our company indirectly owns the subsidiary Bora Pharmaceuticals Ophthalmic Inc. (hereinafter referred to as 'Bora Ophthalmic'):

Item	License and content
Water Pollution Control Permit	Bora Ophthalmic applied for a Water Pollution Prevention Plan and Water Pollution Prevention Permit from the Taoyuan City Government Environmental Protection Bureau on June 2, 2020 (Permit Number: Taoyuan Environmental Discharge Permit No. H3397-02), valid until June 1, 2025.
Business waste removal plan	Bora Ophthalmic obtained approval from the Taoyuan City Government Environmental Protection Bureau on November 9, 2023, for a modification to the Business Waste Cleanup Plan (Control Number: H46A8571). The approved number for the cleanup plan is H10303030007, valid until November 8, 2028.
Toxic chemical substance approval documentation	Bora Ophthalmic obtained the Toxic Chemical Substances Approval Document on December 20, 2023, with Approval Number: Taoyuan City Toxic Core Letter No. 000158, valid until February 5, 2025. The permitted operations and the managed toxic chemical substances are listed with codes and serial numbers: 03801, 04501, 04602, 05201, 05301, 05401, 05502, 05518, 06401, 06601, 07102, 07301, 07501, 07901, 08201, 08301, 08901, 09301, 09501, 09701, 09801, 09802, 10401, 10501, 10601, 11201, 11401, 11501, 11701, 11901, 12101, 12601, 12901, 14401, 16001, 17601, 17801, totaling 37 types. Bora Ophthalmic obtained the Chemicals of Concern Approval Document on October 2, 2023, with Approval Number: Taoyuan City Concern Core Letter No. 000082, valid until February 6, 2026. The permitted operations and the managed chemicals of concern are listed with codes and serial numbers: E00101, E00103, E00201, F00101, F00401, L00201, a total of 6 types.

2. Pollution Control Fees Payable and Payment Status:

Category \ Year	2024	2025
Sewage Usage Fee	1,499	1,146
Business Waste Disposal Fee	12,528	11,456
Air Pollution Fee	491	509

V. Labor Relations

(I) The Company's employee various benefits for studying, training, the pension system and its implementation status, as well as labor agreements and employee rights maintenance measures

(1) Employee welfare measures and implementation
The following benefits are provided by the Company, in addition to the general benefits such as labor insurance, health insurance, group insurance and pension benefits: Year-end and festival bonuses, wedding and funeral subsidies, the employee stock option system, and other welfare measures, as well as performance bonuses depending on operating conditions.

(2) Staff education and training status
The Company and its subsidiaries plan annual training programs and allocate training budgets based on employees' training needs and the Company's future development. This enables our employees to improve their professional skills and understand the functions required by the industry in which the Company is located, helping them develop their potential and achieve their best, thereby creating an environment in which they can coexist and prosper with the Company.

(3) Retirement system and implementation status
In accordance with the Labor Pension Act, the Company and its subsidiaries make monthly contributions of 6% of the employees' monthly wages to the employees' individual accounts at the Labor Insurance Bureau corresponding to the wage grading scale prescribed by the government, and employees may voluntarily make additional contributions within 6% of their monthly wages.

(4) Agreement between labor and management
The Company and its subsidiaries emphasize rationalized and humanized management and establish smooth communication channels to maintain good relations between employers and employees, enhance productivity, share profits, and establish stable and harmonious labor relations.

(5) Employee rights protection measures
The Company and its subsidiaries shall protect the rights and interests of employees and implement the welfare system in accordance with laws and regulations and the Company's management rules.

(II) For the most recent year and up to the date of printing of the annual report, the losses suffered by the Company as a result of labor disputes, the estimated amount for now and in the future and any response measures, and state the items that cannot be reasonably estimated: None.

VI. Information Security Management

(I) State the information security risk management framework, information security policy, the specific management plan and the resources implemented in the security management:

(1) Information security management management framework
To continuously improve the information security system and strengthen protection capabilities, the Company has established the position of Chief Information Security Officer and formed an "Information Security Department," responsible for information security governance, cross-departmental coordination, promotion, and supervision ofinformation security management matters, formulating unified information security policies, planning group-wide information security operations, and integrating security awareness and controls into the daily operations of each department.

Externally, the Company actively participates in cybersecurity alliances such as the "Science Park Cybersecurity Information Sharing and Analysis Center," the "Taiwan Computer Network Crisis Management and Coordination Center," and the "Cybersecurity Chiefs' Association" of the Taiwan Information Software Association, regularly receiving the latest cybersecurity information and responding accordingly.

(2) Information security policy
A. Enterprise information security management strategy and framework
To maintain the normal operation of the information system, the company ensures the system can be restored as quickly as possible in the event of human error or natural disasters. To ensure the safety of employees and that each operating department can effectively manage its related computer software and hardware and to ensure the security of information systems and data, the Company has set up operational procedures and reporting procedures for various information security incidents to ensure the related department personnel can take the correct action when a system-threatening incident occurs. The plan aims to reduce the threat and the impact. The company has formulated the following operations and controls in accordance with information security risks:
a. Operation on system development and program revision
b. Operation on the access control of the program and data
c. Operation on data input and output
d. Operation on data processing
e. Operation on file and equipment security
f. Operation on the system restoration plan and testing procedure
g. Operation on information security inspection

B. Enterprise information security risk management and continuous improvement framework

To ensure the Company continues to improve its information security management, the Company has formulated a corresponding management mechanism.
The main management key items are as follows:
a. Set up the contract information for related personnel
b. Report on information security incident
c. Report on information security weakness
d. Report on ill-functioning software
e. Resource needed for continued operation: including ensuring the information server can continue to provide service and back up the necessary data

Simultaneously, an emergency notification procedure should be established to ensure that in the event of an emergency information security incident that results in system damage and inability to immediately resume operation, the contact person of each department should report the incident to the Information Security Promotion Team according to the notification procedure.

(3) Management plan
To implement information security policies, the Company has established "Information and Communication Security Policy" and the "Information Security Risk Management Framework." Related methods will be updated and continuously modified in response to changes in information security risks. To fully plan and promote the execution of various information security policies, the Company has appointed Vice President Chen Chia-Chu as the highest information security officer (Chief Information Security Officer), elevating the information security control level of the entire Group. Information Security Manager Ku Lin-Chieh leads the Information Security Department staff, responsible for promoting and maintaining various information security initiatives.
The main responsibilities are as follows:
a. Formulate the information security policy
b. Plan an information security framework in accordance with Bora Pharmaceuticals' development and changes in information security
c. Monitor, analyze, and manage information security. Check the information environment periodically and evaluate if updates and upgrades are needed to lower the security risk
d. Ongoing evaluation, recommendation and implementation of information security solutions
e. Promotion of information security training to enhance the employees' awareness of information security
f. Knowledge of information security trends, and report to the management team on related information

(4) Resources invested in information security management
The Company's actual implementation results in 2025 are as follows, which were reported to the Board of Directors on November 13, 2025:
A. Extended Cybersecurity Protection: As the Group continues to grow, in order to ensure that all plants are fully protected by cybersecurity, the cybersecurity team continuously upgrades the cybersecurity protection of each site, replacing outdated equipment with new ones to achieve consistent Group standards, and incorporating them into the proactive monitoring scope of the cybersecurity team. By the third quarter of this year, the overall endpoint protection installation and upgrade of SunWay and the email protection upgrade of the Maple Grove and Baltimore site in the United States have been completed. The installation has been effective since then, successfully blocking malicious software and potential attacks, and providing effective protection for important systems. We will continue to monitor and update the protection measures.
B. USB Protection Upgrade in Site: To prevent USB file transfers from becoming a vulnerability for malicious intrusion, the cybersecurity team has actively utilized existing tools and internal expertise to establish a protection mechanism. This mechanism will prevent the spread of malicious programs between manufacturing, office, and laboratory environments, while reducing the potential risks brought by external vendors using USB devices, ensuring secure data transmission in critical environments. Currently, this protection mechanism has been successfully deployed in the Zhunan and Tainan site and is expected to be fully rolled out to other factories in Taiwan by the end of the year.
C. Group-wide Social Engineering Drill: This year's social engineering drill was led by the group's cybersecurity team, replacing the previous model of outsourcing to external vendors and breaking away from traditional testing methods that relied solely on click-through rates. This drill employed interactive scenario design combined with in-depth behavioral analysis to comprehensively assess employees' vigilance and resilience in the face of the latest attack techniques, thereby strengthening overall cybersecurity capabilities. The drill covered all plants in North America and Taiwan, with approximately 2,000 employees participating. Results were better than the industry average and showed significant improvement over last year.
D. Enhance overall cybersecurity awareness: Most cybersecurity incidents begin with the theft of employee account information, and people remain the weakest link in overall cybersecurity defense. Therefore, cybersecurity awareness training is crucial. To enhance the cybersecurity awareness of all employees, the cybersecurity department has conducted numerous cybersecurity training sessions and activities up to the third quarter of

this year, and implemented group-wide training in both Chinese and English in the fourth quarter. As of the end of September this year, a total of 12,577 people have received 5,214 hours of various cybersecurity training.

E. Unifying Cybersecurity Policies: In order to reduce the risk of each site on becoming a breach and to ensure the consistency of the group's overall cybersecurity protection standards, the cybersecurity team has begun to integrate and unify the cybersecurity policies in Taiwan and North America, and expects to complete the update of the group's "Information and Communication Security Policy" in the fourth quarter of this year.

F. Strengthen daily cybersecurity monitoring: To ensure the effective operation of the Group's overall cybersecurity control measures, the cybersecurity department not only uses automated defense tools but also analyzes system alerts manually, adjusts cybersecurity control measures in a timely manner, coordinates with IT colleagues to support the handling of issues, and continuously assesses whether the control measures are sufficient to meet the cybersecurity risks faced by the Group.

G. [MC6.1]Optimize and integrate existing defense tools: With the rapid development of technology, new attack methods are emerging one after another. As the group expands rapidly, the scope of information asset protection is also constantly expanding. To effectively and quickly respond to cybersecurity threats, the Cybersecurity Department, together with the Information Department, continues to evaluate existing mechanisms and improve the overall efficiency of real-time monitoring and response.

(II) List the loss incurred for major information security incidents, possible losses, and countermeasures for the most recent year and up to the annual report date. If the loss cannot be reasonably measured, please explain it:

For 2025 and as of the annual report date, the Company has not incurred a loss for a major information security incident.

VII. Significant Contracts

Contract Nature	Parties	Contract Start and End Dates	Main Content	Restrictive Clauses
Financing Contract	Chang Hwa Bank	July 31, 2025- July 31, 2026	Short-term Credit Contract	None
Financing Contract	Chang Hwa Bank	December 23, 2019–December 23, 2034	Long-term Secured Borrowings	None
Financing Contract	CTBC Bank	March 28, 2024–March 28, 2029	Long-term Credit Contract	None
Financing Contract	Hwa Nan Bank	December 19, 2023–December 19, 2026	Mid-term Credit Contract	None
Financing Contract	Hwa Nan Bank	March 29, 2024–March 29, 2029	Long-term Credit Contract	None
Financing Contract	KGI Bank	March 14, 2024–March 14, 2027	Mid-term Credit Contract	During the borrowing period, drawdowns and repayments shall comply with the financial ratio covenant provisions.
Contract Manufacturing and Inspection Contracts	Company H	January 1, 2024–December 31, 2028	Commissioned Manufacturing and Inspection Services for Specific Human Pharmaceutical Products	This pertains to a 5-year long-term manufacturing agreement, with an arrangement with Company C specifying annual target volume requirements, batch sizes, and minimum order quantities.
Distribution Contract	Company H	April 1, 2024–May 31, 2026	The Company distributes the Zhenmei Series, Shwan Wei Wang, Sha Nai, and I Tai Co series.	None
Distribution Contract	SSI Co., Ltd. (SSP)	July 15, 2020–July 14, 2027	Bora Health has signed a joint contract with SSP, Chin Teng Pharmaceutical Industry Co., Ltd., and Best Ocean Pharmaceutical Co., Ltd., under which the Company obtains the distribution rights for SSP in Taiwan, covering ES-FLEET, ES-COLLAN, ES-BRONCH, ES-JINLER, and BESHULER.	The contract is valid for 3 years and will be automatically renewed and extended every 2 years unless written notice of termination is given 180 days before the expiration of the validity period.
Distribution Contract	Shionogi Healthcare Co., Ltd. ("Shionogi")	September 15, 2023–September 14, 2025	Bora Health Inc. distributes health supplements and OTC products under the Shionogi brand.	Minimum purchase requirement. Upon expiration, the agreement shall automatically renew annually unless written notice of non-renewal is provided at least 3 months prior to expiration.
Contract Manufacturing Contract	Company G	December 19, 2017–December 31, 2025	Commissioned Bora Pharmaceutical Laboratories to manufacture human pharmaceutical products as a contract manufacturing business.	Upon expiration, the agreement shall be automatically renewed annually.
Authorization Contract	Impax Laboratories Ireland Limited	March 6, 2018–March 5, 2028	Authorized the Company to distribute RYTARY, a brand medication for the treatment of Parkinson's disease.	None
Contract Manufacturing Contract	GlaxoSmith Trading Services Limited;	December 1, 2020–December 31, 2025	Entrusting our Canadian subsidiary with the manufacturing of prescription and health product OEM business	None
Contract Manufacturing Contract	Company D 3T Technology Co., Ltd	December 1, 2020–December 31, 2027	Entrusting our Canadian subsidiary with the manufacturing of non-prescription and health product OEM business	None
Contract Manufacturing Contract	Formosa Television Co., Ltd. Cen Run Marketing Co., Ltd.	January 1, 2025–December 31, 2030	Entrusting SunWay Biotech with the manufacturing of Nian Chia Monascus purpureus health food products	Minimum purchase requirement.
Re-authorization Distribution Contract	Bright Future Pharmaceutical Trading Ltd. ("BF")	March 10, 2022 – Numient (US product name: RYTARY) received a Chinese drug license and marketing authorization for 10 years thereafter.	The Company has sub-licensed distribution rights to BF in China (including Hong Kong and Macau).	BF may terminate this agreement by providing written notice to the Company 6 months in advance.
Contract Manufacturing Contract	Bright Future Pharmaceutical Trading Ltd. ("BF")	Numient's Chinese drug license and marketing authorization are valid for 10 years from the date of issuance.	BF entrusts Bora Health Inc. with manufacturing.	Both parties may terminate by mutual agreement, effective 180 days after signing the written termination agreement.
Sales and Supply Licensing Contract	Scinopharm Taiwan Ltd.	Valid from January 28, 2022 until 7 years after the first product supply	Licensing for Sales and Supply	Transfer is prohibited without prior written consent from the other party.
Sales and Service Contract	Company B	May 01, 2018-April 30, 2026	Sales and Service Contract	The agreement shall automatically renew annually unless either party notifies the other in writing at least 90 days prior to expiration.
Sales Contract	Company C	January 1, 2024–December 31, 2026	Sales contract	Minimum purchase requirement. Upon expiration, it shall automatically renew annually unless either party elects to terminate.
Sales and Service Contract	Company E	April 11, 2018–April 10, 2027	Sales and Service Contract	The agreement shall be automatically renewed annually, unless either party notifies the other party in writing of a 2-year renewal at least 90 days prior to expiration.
Asset Purchase and Sales Contract	Alvogen Pharma US, Inc., Alvogen, Inc.and Almatica Pharma LLC	Effective from August 16, 2023	Purchase of the assets in the US market related to 6 drugs.	None
Lease Contract	Office Rental Contract	January 1, 2023–December 31, 2027	Laboratory Lease	If either party does not wish to continue the lease upon expiration, written notice must be given to the other party 6 months in advance.
Warehousing and logistics service Contract	Arich Enterprise Co.,	113.10.01-116.09.30	Warehousing and logistics service contract	The agreement shall automatically renew 2 year unless either party notifies the other in writing at least 90 days prior to expiration.
Contract Manufacturing Contract	Larimar Therapeutics Inc.	114.05.06~119.05.05	Contract Manufacturing Contract	None

Chapter E.
Review, Analysis, and Risks of Financial Conditions and Performance

I. Review and Analysis Table of Financial status

Unit: NT$ thousands

Contract Nature \ Year	2025	2024	Discrepancies	
			Amount	%
Current assets	19,337,605	23,565,691	-4,228,086	(17.94)
Property, plant and equipment	10,433,212	11,684,248	-1,251,036	(10.71)
Intangible assets	6,244,466	7,444,179	-1,199,713	(16.12)
Other assets	8,698,904	2,904,816	5,794,088	199.46
Total assets	44,714,187	45,598,934	-884,747	(1.94)
Current liabilities	13,320,926	13,808,597	-487,671	(3.53)
Non-current liabilities	13,921,072	16,778,772	-2,857,700	(17.03)
Total liabilities	27,241,998	30,587,369	-3,345,371	(10.94)
Share capital	1,275,830	1,033,119	242,711	23.49
Capital reserve	6,055,815	4,408,236	1,647,579	37.38
Retained earnings	8,345,987	7,106,920	1,239,067	17.43
Other equity	(161,946)	362,308	-524,254	(144.70)
Treasury stock	(134,287)	(43,181)	-91,106	210.99
Non-controlling interests	2,090,790	2,144,163	-53,373	(2.49)
Total shareholders' equity	17,472,189	15,011,565	2,460,624	16.39

(1) Main Reasons and Effects of Significant Changes in Assets, Liabilities, and Equity in the Past 2 Years (Analysis for items with changes of 20% or more between periods and amounts exceeding NT$10 million)

A. Increase in Other Assets: On 2025, the Company's subsidiary Bora Biologics Co., Ltd. conducted the share exchange with Tanvex BioPharma, Inc., and became the single largest shareholder of the company, and the equity method was used for valuation.

B. Share capital and capital reserve increase: Mainly due to the distribution of stock dividend of NTD $2 dollar, the conversion of the Company's convertible bond III and employee exercise the employee stock option.

C. Other equity increase: Mainly due to fluctuations in exchange differences on translation of foreign operations' financial statements.

D. Increase in treasury stock: Mainly due to the Company's purchase its share on April and November 2025.

(2) Future response plans: The above changes do not have any significant adverse impact on the Company and its subsidiaries.

II. Review and Analysis Table of Financial Performance

(I) Comparative financial performance analysis table

Unit: NT$ thousands

Accounting Titles \ Year	2025	2024	Discrepancies	
			Amount	%
Operating revenue	19,014,169	17,426,624	1,587,545	9.11
Operating cost	11,161,155	9,636,088	1,525,067	15.83
Operating gross profit	7,851,265	7,790,536	60,729	0.78
Operating expenses	4,557,725	4,082,536	475,189	11.64
Operating income	3,293,540	3,708,000	-414,460	(11.18)
Non-operating income and expenses	1,984,348	1,515,172	469,176	(30.97)
Net income before tax from continuing operations	4,448,040	4,217,556	230,484	5.46
Income tax (expenses)	829,848	1,005,616	-175,768	(17.48)
Net income after tax from continuing operations	3,046,040	3,953,909	-907,869	(22.96)

(1) Main reasons for significant changes in profit and loss items in the last 2 years:
(Analysis of items with changes exceeding 20% between periods and amounts exceeding NT$10 million)
A. Non-operating income and expenses increased: On 2025, the Company's subsidiary Bora Biologics Co., Ltd. conducted the share exchange with Tanvex BioPharma, Inc., and recognize the disposal gains on the difference between the book value of the Bora Biologics Co., Ltd. and the narket value of the Tanvex BioPharma, Inc., stock.
B. Net income before tax from continuing operations decreased: This is mainly due to generic drug price policy adjustment in the United States and the Company has adjust its generic drop product profoltio.

(2) Future response plans: The above changes do not have any significant adverse impact on the Company and its subsidiaries.

(II) Expected sales volume and basis, possible impact on the Company's future financial operations and response plans:

Based on the Company's major customers and forecasts for their downstream customers, as well as the Company's many years of experience in the industry, we have established a plan to ensure that our procurement, outsourcing and production can be coordinated based on circumstances. The Company continues to develop new markets and customers and expects to continue to grow sales and improve profitability in the future.

III. Cash Flow Ratio Analysis

(I) Analysis of annual cash flow changes in the most recent year

Unit: NT$ thousands

Item \ Year	2025	2024	Percentage of increase (decrease) %
Operating activities	4,503,589	980,808	359.17
Investing activities	(3,379,649)	(10,680,386)	316.00
Financing activities	(1,376,910)	12,070,618	(876.65)

Analysis of proportion changes:
(1) Operating Activities: Mainly due to the recognizition of the disposal gain on the share exchange between Bora Biologics Co., Ltd. and Tanvex BioPharma, and decrease on the ending balance of accounts receivable and inventory.
(2) Investing Activities: The cash outflow decrease as there is no merger and acquisition in 2025.
(3) Financing Activities: The Company does not issue corporate bond in 2024, resulting in thedecrease of cash inflows from financing activities.

(II) Improvement plan for lack of liquidity: There is no liquidity shortfall in 2025.

IV. Effect of Major Capital Spending on Financial Position and Business Operation in the Most Recent Year:

To implement the work specialization between subsidiaries, subsidiaries TWi Pharmaceuticals, Inc. and Bora Pharmaceutical Laboratories Inc.'s board of director approve the internal restructuring plan to transfer Zhongli site from TWi Pharmaceuticals, Inc. to Bora Pharmaceutical Laboratories Inc to enhance the long term CDMO competitive advantage. Apart from the major capital expenditures mentioned above, the Company and its subsidiaries will continue to assess the purchase or replacement of machinery and equipment or the expansion of factory buildings based on order. However, as of the date of publication of the annual report, there are no specific plans for factory building expansion.

V. Reinvestment policy in the Most Recent Year, profit/loss and main reasons, improvement plan, and investment plan for the coming year:

(I) The Company's Reinvestment Policy

Based on factors such as operational needs or future growth considerations, the Company has completed the integration of the industry value chain from marketing, channel, R&D, and production within a few years to ensure that each business area has access to comprehensive resources and mutual support from each other, forming the core strength of the Company. The Company also tracks the operating status and evaluates the effectiveness of its invested businesses for post-investment decision-making.

(II) Profit or loss on reinvestment and improvement plan for fiscal 2025:

Reinvestment company	Recognized (loss) gain	Main reasons for gain or loss	Improvement Plan
Bora Pharmaceutical Laboratories Inc.	642,482	Operating profit	Bora Pharmaceutical is one of our main generic drug CDMO manufacturing facilities, operating steadily and consistently profitable.
Bora Pharmaceuticals USA Inc.	(643,043)	Recognition of loss	With the increase in investment in the United States, future revenue is expected to continue growing and profitability to improve.
Bora Pharmaceuticals Services Inc.	372,873	Operating profit	Steady revenue growth and sustained profitability.
TWi Pharmaceuticals Inc.	1,249,744	Operating profit	Steady revenue growth and sustained profitability.
SunWay Biotech Co., Ltd.	36,420	Operating profit	Consolidated to the Group on November, 2023. Steady revenue growth and sustained profitability.
Synpac-Kingdom Pharmaceutical Co., Ltd.	(214,513)	Recognition of loss	As one of the few domestic manufacturers specializing in eye drop formulations, we received approval from the US FDA following an inspection at the end of 2022. This enables us to contract manufacture and sell ophthalmic products in the US market. We anticipate steady growth and sustained profitability in our operations.
TWi Pharmaceuticals USA, Inc.	296,998	Operating profit	Steady revenue growth and sustained profitability.
Bora Health Inc.	101,681	Operating profit	Steady revenue growth and sustained profitability.
Bora Pharmaceutical Injectables, Inc.	(136,584)	Recognition of loss	Consolidated to the Group on August, 2024. Future revenue is expected to continue growing and profitability to improve.
Bora Pharmaceutical Holdings, Inc.	(693,715)	Recognition of loss	The Company acquired the equity interests in Upsher-Smith and two other companies through Bora Pharmaceutical Holdings, and has included them in the consolidated financial statements since April 2024. Bora Pharmaceutical Holdings is the actual overall operating result of the consolidated operations of Upsher-Smith and Pyros, and the future operations will continue to grow.
Upsher-Smith Laboratories, LLC	(1,045,973)	Recognition of loss	
Pyros Pharmaceuticals Inc.	(21,118)	Recognition of loss	The Company is focused on the research and development of rare diseases. Its "VIGAFYDE" is a ready-to-use liquid formula. In recent years, the first batch of products has been approved by the US FDA for the treatment of infantile headwinds. Since October 2024, it has been merged with Upsher-Smith, and its operations will continue to grow and make profits.

Note 1: The above list shows cases where the original investment amount exceeded 5 percent of the paid-in capital as of 2025.

As of the present, the operating status of the affiliated investment ventures remains stable. These investment companies are all related to our core business, and we will continue to focus on our core operations in the future, aiming to create maximum benefits for the company and all shareholders.

(III) Investment plan for the coming year:

As of the date of printing of the annual report, there are no specific plans for acquiring other companies. If there are any future merger plans, we will comply with relevant regulations and proceed cautiously, conducting assessments of potential benefits and risks to manage them effectively and maximize overall operational profit.

VI. Risks for the latest year and up to the date of printing of the annual report

I. Impact of Interest Rate, Exchange Rate Fluctuations, and Inflation on the Company's Profit or Loss and Future Countermeasures:

(1) Interest Rate Fluctuations

The interest expenses of the Company and its subsidiaries in 2024 and 2025 were NT$367,405 thousand and NT$250,314 thousand, accounting for 7.41% and 4.74% of net income before tax for the respective years. The increase in proportion was mainly due to the impact of global interest rate hikes in 2024, resulting in higher interest expenses. However, the overall ratio of interest expenses to net income before tax remained low. In addition, with the continued growth in operations and profitability of the Company and its subsidiaries, the impact of interest rate fluctuation risk on the Company's profit or loss was minimal.

The Company and its subsidiaries are conservative and prudent in the use of capital. Most idle funds are placed in demand and time deposits with banks, where interest rates are relatively stable. The Company and its subsidiaries regularly evaluate bank borrowing rates and closely liaise with banks to obtain more favorable borrowing rates in order to reduce the impact of changes in interest rates on the Company's profit or loss.

(2) Exchange Rate Changes

The Company and its subsidiaries had exchange gains (losses) of NT$(125,880) thousand and NT$163,519 thousand in 2024 and 2025, respectively. The exchange gains (losses) represented (2.39)% and 3.30% of pre-tax net income, respectively, which mainly resulted from export sales to foreign countries and some raw material purchases denominated in foreign currencies. The current ratio is still low; exchange rate fluctuations should not have a significant impact on the Company.

The Company and its subsidiaries adopt the principle of prudent management of foreign currency capital and collect international financial information related to exchange rates, in order to fully grasp the trend of exchange rates and adjust their foreign exchange holdings in a timely manner, corresponding to the changes in exchange rates, in order to reduce the impact caused by exchange rate changes.

(3) Inflationary scenarios

At present, the Company and its subsidiaries do not import large quantities of raw materials or ship large quantities of finished products. Therefore, inflation has no significant impact on the Company's profit or loss due to the inflation. In the future, the Company and its subsidiaries will continue to closely monitor changes in the price index, maintain good interaction with suppliers and customers, and adjust their purchasing and sales strategies in a timely manner. Therefore, the Company and its subsidiaries should be able to respond to potential inflation and other changes in the economic situation without a significant impact on their operations.

II. Policies of engaging in high-risk, high-leverage investments, lending to others, providing endorsement and guarantee, derivatives transactions, profit/loss analysis, and future response measures:

(1) The policy of engaging in high-risk, highly leveraged investments, the main reasons for profits or losses, and future measures to address them

A. The main reason for engaging in high-risk, highly leveraged investments

For the most recent year and as of the date of the annual report, the Company and its subsidiaries have maintained their focus on their businesses and have not engaged in high-risk, highly leveraged investments.

B. Response Measures

The Company and its subsidiaries focus on the operation of their businesses and operate on a conservative and prudent financial basis, with no funds used for high-risk, high-leverage investments.

(2) Loans to Others and Endorsements/Guarantees

A. Reasons for loaning funds to others and endorsement guarantee

(A) Fund loans to others

The Company and its subsidiaries have loaned funds to subsidiaries for the purpose of maintaining the subsidiaries' operations, transactions, or enhancing the overall use of capital. These subsidiaries include 100%-owned subsidiaries, Bora Pharmaceutical Co., Ltd. and Bora Pharmaceutical Holdings, LLC, which the Company has acquired all the equity of in the US$210,000 thousand. The funds were used for the purpose of merging and acquiring Bora Pharmaceutical Holdings, which the Company has resolved to pass the loan of US$52,000 thousand to Bora Pharmaceutical Holdings, and US$70,000 thousand to Upsher-Smith, which the Company has repaid in full in August - September and April 2024. The Company has also resolved to pass the loan of US$67,000 thousand to Upsher-Smith, a 100%-owned subsidiary, for the purpose of repaying the principal and interest to the subsidiary, Upsher-Smith, which the Company has indirectly held. As of the date of publication of the annual report, Bora Pharmaceuticals USA Inc., lend to Upsher-Smith, Bora Pharmaceuticals Injectables Inc. and Bora Pharmaceuticals Inc. for US$5,300 thousand, US$ 7,500 thousand and US$ 25,000 thousand respectively. The subsidiary TWi Pharmaceuticals USA, Inc. lend to Upsher-Smith for US$ 41,600 thousand. Besides the above intercompany loan, the Company and its subsidiaries have not loaned any other funds to others.

(B) Endorsements and guarantees

The company and its subsidiaries provide endorsement guarantees, mainly to ensure the smooth operation of the subsidiaries and the smooth flow of funds, and to provide necessary shipment guarantees or bank financing. The company provides a shipment guarantee of CAD$120,000 to its Canadian subsidiary, Bora Pharmaceutical Services Inc. In addition, in order to pay for the full equity purchase price of Upsher-Smith Laboratories, LLC, and other companies in Minnesota, the United States, and the financing guarantee required for the acquired subsidiary to apply to local banks. In March 2024, the Board of Directors of the Company approved the provision of a bank financing guarantee of US$ 120,000,000 to Bora Pharmaceutical Holdings, Inc. After the completion of the equity transfer in April 2024, the Board of Directors of the Company approved the provision of a bank financing guarantee of US$ 70,000,000 to its subsidiary Upsher-Smith and reduced the guarantee for Bora Pharmaceutical Holdings, Inc. to US$ 50,000,000. In addition, in order to ensure that Bora Pharmaceutical Holdings, Inc. has sufficient working capital to repay the loan from our company, our company's Board of Directors passed a resolution in May 2014 to provide Bora Pharmaceutical Holdings, Inc. with a bank financing guarantee of US$ 82,000,000. As of the date of publication of the annual report, the actual expenditure amounts endorsed and guaranteed by the Company for each subsidiary are: Canadian subsidiary Bora Pharmaceutical Services Inc. actual expenditure amount is CAD$ 120,000,000, Upsher-Smith actual expenditure amount is US$ 10,000,000 and Bora Pharmaceuticals Injectables Inc. actual expenditure amount is US$ 30,000,000; Bora Pharmaceutical Laboratories endorsed and guaranteed the actual expenditure amount of NT$241,000,000 for its subsidiary Bora Pharmaceuticals Ophthalmic.

B. Response Measures

The Company and its subsidiaries engage in lending of funds to others and endorsement guarantees based on operational risk considerations. The Company will set single and total limits for overall risk control according to different targets and specify them in the procedures. The Company and its subsidiaries comply with the "Procedures for Lending of Funds to Others" and "Procedures for Endorsement and Guarantee".

(3) The Company's policy on derivative transactions, the main reasons for profit or loss, and future measures

A. The main reasons for the policy, profit or loss of engaging in derivatives trading

For the most recent year and as of the date of the annual report, Bora Pharmaceuticals, a subsidiary of the Company, has engaged in derivative commodity hedging transactions for export sales, which are necessary for operational purposes. The resulting gain or loss is attributable to the above hedging operations.

B. Response Measures

Based on operational risk considerations, the Company and its subsidiaries have established "Procedures for Handling Derivative Transactions" and strictly follow its regulations to manage the risks that may arise from such transactions. The Company will immediately coordinate its various departments to formulate relevant countermeasures if there is a possibility of a significant impact on the Company's operations.

III. Future R&D Programs and Expected R&D expenditure

(1) Future R&D Programs

Since 2013, our company has continuously integrated vertically and horizontally, evolving from distribution and agency to R & D and manufacturing, into a comprehensive CDMO (Contract Development and

Manufacturing Organization) international pharmaceutical company. Our manufactured drugs have been successfully sold to over 100 markets worldwide. To enrich our existing product line, we are actively committed to the research and development of our own drugs. Since September 2022, when TWi Pharmaceutical officially became a wholly-owned subsidiary of our company, which possessing high-barrier drug R&D and manufacturing technologies, and having successfully commercialized "highly niche" generic drugs (ANDAs) and 505(B)(2) new dosage forms. The company has positioned TWi Pharmaceutical as a product project R&D center. We continue to develop "highly niche" generic drugs (ANDAs) and 505(B)(2) new dosage forms for the US market. Simultaneously with drug development, we also pursue related intellectual property protection and patent applications.

Main project development's production technologies and new products are as follows:
(A) New dosage forms
(B) Special generic drug products development
(C) Self-owned OTC product
(D) Self-owned health product

The following are the development of special generic drugs:

Product	Description
Product development of oral dosage forms	Developing sustained-release formulations, improving manufacturing processes, increasing drug bioavailability, controlling drug absorption rates, and controlling blood drug concentrations can all help reduce the occurrence of side effects.
ophthalmic medications	Eye diseases related indication

(2) Estimated Research Costs
The Company and its subsidiaries' research and development expense budget for 2025 is approximately NT$1,079,540 thousand, which will be primarily used for materials and equipment needed for drug development. For future product development, the Company and its subsidiaries will select special generic drugs and new dosage forms based on market demand. In addition, in order to effectively develop each product, the Company and its subsidiaries intend to file patent applications for technological novelties or key core technologies that arise during development to avoid the risk of imitation or duplication of the developed products.

IV. Effects of and Response to Changes in Policies and Regulations Relating to Corporate Finance and Sales

The Company and its subsidiaries operate in compliance with relevant domestic and foreign laws and regulations and keep track of domestic and foreign policy developments and regulatory changes. We closely monitor and update the latest information on tax incentives and subsidies related to the biotechnology industry. For the most recent year and as of the date of the annual report, the Company and its subsidiaries had no significant domestic or foreign policy or legal changes that would have affected the Company's financial operations.

V. Effects of and Response to Changes in Technology and in Industry Relating to Corporate Finance and Sales

The Company and its subsidiaries keep abreast of changes in technology and technological development in the biotechnology industry. The market outlook for the pharmaceutical industry is growing steadily due to the aging population and the expansion of medical care for citizens by the governments of various countries. The Company and its subsidiaries keep abreast of industry trends and sales dynamics so as to make proper planning and response measures, and continuously invest in technology R&D and technology enhancement to consolidate their competitive advantages. In addition, the Company complies with laws and regulations on information risk, and has set up a dedicated department to control and mitigate possible risks. For the most recent year and as of the printing date of the annual report, there were no technological changes or industrial changes that had a significant impact on the financial operations of the Company and its subsidiaries.

VI. Impact of Changes in Corporate Image on the Corporate Risk Management, and the Company's Response Measures

Since its establishment, the Company and its subsidiaries have been committed to maintaining the image of the Company and have not engaged in any conduct that would lead to a poor corporate image or create a corporate crisis. In addition, as the Company continues to grow, we will continue to pursue the best interests of our shareholders, while at the same time providing care to all employees, their families and disadvantaged groups in society, fulfilling our corporate social responsibility. For the most recent year, up to the printing date of the annual report, there has been no impact on the Company's crisis management due to the change in corporate image.

VII. Expected Benefits and Possible Risks in Mergers and Acquisitions (M&A) and Countermeasures

On January 16, 2024, the Board of Directors of our company approved that our wholly-owned subsidiary, Bora Pharmaceutical Holdings, Inc., would acquire all the shares of Upsher-Smith Laboratories, LLC, located in Minnesota, USA, for US$ 210 million. After approval by relevant competent authorities, the Company successfully completed the takeover on April 1, 2024 (EST). In the future, the Company will use Upsher-Smith's commercial drug license and specialty drug sales channels to integrate with the existing drug sales business, rapidly expand the product portfolio and reduce sales concentration risks, thereby increasing the growth momentum of global drug sales in the future. On June 20, 2024, the Board of Directors of the Company approved the acquisition of the CDMO sterile injection plant in Baltimore, Maryland, USA, for US$ 30 million through its subsidiary Bora Pharmaceuticals Injectables Inc. Our company officially took over the operation on August 20, 2024. The plant can support the lyophilization, filling and pre-filled injection and other OEM services required for experimental trial production and commercial mass production. Our company will be able to provide customers with more complete CDMO services. On August 27, 2024, the Board of Directors of the subsidiary Bora Biologics passed a resolution to merge the 2 companies in accordance with the Corporate Merger and Acquisition Act, with Tanvex Biologics Corporation (Tanvex -KY) as the surviving company and Bio-Tech as the eliminated company. Through this strategic alliance, we can quickly respond to increased OEM demand under the United States BIOSECURE Act. This merger has been approved by the shareholders' extraordinary meeting of both parties on October 15, 2024 and has been approved by the Taiwan Stock Exchange Corporation. January 20, 2025 is the base date for the merger. On October 25, 2024, the Company's Board of Directors resolved to acquire the entire equity of Pyros Pharmaceuticals Inc., a rare disease drug development company located in New Jersey, USA, for US$27.25 million through its subsidiary Bora Pharmaceutical Holdings, Inc., further consolidating the Company's key position in the pediatric rare disease drug market.

The Company carefully evaluates the potential benefits and risks of various mergers and acquisitions based on its existing business operations. As of the date of printing of the publication of the annual prospectus, the Company has no other acquisition plans. In the future, the Company will continue to adhere to relevant regulations, adopt a prudent attitude in evaluating various benefits and risk management measures, with the aim of maximizing profitability and minimizing risks in the overall operation of the Company.

VIII. Expected Benefits and Potential Risks of Capacity Expansion and Response Measures

In consideration of the Group's long-term development plan and to enhance its competitive advantages, the Company is actively planning to expand the production lines of different dosage forms of pharmaceutical products. At present, the product lines of the Tainan Guantian Site include tablets, capsules, granules, liquids, and semi-solid dosage forms, and have obtained PIC/S GMP certification from the Food and Drug Administration of the Ministry of Health and Welfare. In addition, the Company acquired 100% of the equity, site and equipment of Bora Pharmaceuticals (hereinafter known as Bora), owned by Impax Laboratories Inc., a U.S. listed company, for US$18.5 million in 2018 and obtained a CDMO contract with Impax for the brand-name drug RYTARY, used for the treatment of Parkinson's disease. The site is located in the Zhunan Science Park and occupies an area of of 36,133 square meters. The site is equipped with pilot processes, standard production areas, laboratories, offices, cafeterias, mechanical rooms and warehouses. The Company's main focus is on the production of oral solid dosage forms. At present, all of our pharmaceutical products are supplied to the US pharmaceutical market, and we are the only pharmaceutical production site in Taiwan that supplies the US market. In addition to the production of generic drugs, the Company also produces brand-name drugs, which are orally administered, and special controlled-release drugs. Pilot production and scale-up production technology development are all performed in the Company's site, which is the production center of global supply at present. In addition, on December 01, 2020, the Company acquired the pharmaceutical manufacturing facility from GlaxoSmithKline in Mississauga, Canada. The new Bora facility, located in Ontario, Canada, has 183,000 square feet of space and is approved by USFDA, Health Canada, EMA of the EU, Japan's PMDA, and satisfies the PIC/S world-class standards. The facility specializes in the manufacture of tablets, capsules, semi-solids and liquids, and is equipped with chemical analysis and microbiology laboratories. In addition, this facility has a complete packaging line for tablets, capsules, liquids, nasal sprays, aluminum foil bags, and blisters, and can serialize products in bottles and tubes. The products are exported to many countries, including North America, South America, Asia, Russia, the Middle East, Europe, and Africa. Mississauga produces and packages a wide range of semi-finished and finished pharmaceutical and healthcare products in a variety of dosage forms, with the ability to manufacture a variety of complex products, including expertise in handling highly active pharmaceutical ingredients (HPAPI) and technology transfer, on a scale that allows for clinical and volume production needs. The facility is currently equipped with 18 types of production equipment modules (including 3 pilot facilities) and can provide various production scales according to customer requirements.

In addition to acquiring assets for capacity enhancement through equity investments or acquisitions, our 100% invested subsidiary, Bora Pharmaceutical Laboratories, completed an organizational restructuring in conjunction with the professional division of the group. On June 6, 2023, Bora Pharmaceutical Laboratories' Board of Directors

resolved to purchase all shares of Bora Pharmaceuticals Ophthalmic held by TWi. This transaction will help centralize CDMO resources and leverage management synergies. On November 25, 2024, the Board of Directors of TWi Pharmaceuticals and Bora Pharmaceutical Laboratories, 2 subsidiaries of our company that hold 100% of its shares, approved the split and transfer of Baosheng's Zhongli plant to Bora Pharmaceutical Laboratories in accordance with the Corporate Merger and Acquisition Act, in order to further organize and reorganize the company to achieve the effect of professional division of labor.

The Company resolved by the Board of Directors on January 16, 2024, to acquire all shares of Upsher-Smith Laboratories, LLC. located in Minnesota, USA. Through this acquisition, the Company rapidly acquired Upsher-Smith's portfolio of 48 marketed 36,133 square meters. The site is equipped with pilot processes, standard production areas, laboratories, offices, cafeterias, mechanical rooms and warehouses. The Company's main focus is on the production of oral solid dosage forms. At present, all of our pharmaceutical products are supplied to the US pharmaceutical market, and we are the only pharmaceutical production site in Taiwan that supplies the US market. In addition to the production of generic drugs, the Company also produces brand-name drugs, which are orally administered, and special controlled-release drugs. Pilot production and scale-up production technology development are all performed in the Company's site, which is the production center of global supply at present. In addition, on December 01, 2020, the Company acquired the pharmaceutical manufacturing facility from GlaxoSmithKline in Mississauga, Canada. The new Bora facility, located in Ontario, Canada, has 183,000 square feet of space and is approved by USFDA, Health Canada, EMA of the EU, Japan's PMDA, and satisfies the PIC/S world-class standards. The facility specializes in the manufacture of tablets, capsules, semi-solids and liquids, and is equipped with chemical analysis and microbiology laboratories. In addition, this facility has a complete packaging line for tablets, capsules, liquids, nasal sprays, aluminum foil bags, and blisters, and can serialize products in bottles and tubes. The products are exported to many countries, including North America, South America, Asia, Russia, the Middle East, Europe, and Africa. Mississauga produces and packages a wide range of semi-finished and finished pharmaceutical and healthcare products in a variety of dosage forms, with the ability to manufacture a variety of complex products, including expertise in handling highly active pharmaceutical ingredients (HPAPI) and technology transfer, on a scale that allows for clinical and volume production needs. The facility is currently equipped with 18 types of production equipment modules (including 3 pilot facilities) and can provide various production scales according to customer requirements.

In addition to acquiring assets for capacity enhancement through equity investments or acquisitions, our 100% invested subsidiary, Bora Pharmaceutical Laboratories, completed an organizational restructuring in conjunction with the professional division of the group. On June 6, 2023, Bora Pharmaceutical Laboratories' Board of Directors resolved to purchase all shares of Bora Pharmaceuticals Ophthalmic held by TWi. This transaction will help centralize CDMO resources and leverage management synergies. On November 25, 2024, the Board of Directors of TWi Pharmaceuticals and Bora Pharmaceutical Laboratories, 2 subsidiaries of our company that hold 100% of its shares, approved the split and transfer of Baosheng's Zhongli plant to Bora Pharmaceutical Laboratories in accordance with the Corporate Merger and Acquisition Act, in order to further organize and reorganize the company to achieve the effect of professional division of labor.

The Company resolved by the Board of Directors on January 16, 2024, to acquire all shares of Upsher-Smith Laboratories, LLC. located in Minnesota, USA. Through this acquisition, the Company rapidly acquired Upsher-Smith's portfolio of 48 marketed products, including 38 owned drug licenses, 10 distributed products, and 12 pipeline products. Upsher-Smith operates 2 manufacturing facilities in Plymouth and Maple Grove, Minnesota, covering a total area of 92,654 and 612,396 square feet, respectively. The Maple Grove facility is a newly expanded plant area with a total investment of approximately US$ 130 million, estimated to have a total production capacity of 5 billion doses. The products include oral solids, powders (for oral and topical use), and liquids, with packaging lines and warehouse and logistics centers. The Company officially took over the operation of Upsher-Smith on April 1, 2024, to rapidly acquire significant production capacity advantages, directly supporting the expansion and growth of the global CDMO business. Through the integration of acquired assets, we aim to provide more comprehensive contract manufacturing services to global CDMO customers and extend logistics management services to the entire US market. In order to build a more complete CDMO production technology, the Board of Directors of our company passed a resolution on June 20, 2024 to acquire the CDMO sterile injection plant in Baltimore, Maryland, for US$30 million through its subsidiary Bora Pharmaceuticals Injectables Inc. and officially took over the operation on August 20, 2024. This newly added sterile injection plant occupies approximately 87,000 square feet and has 4 sterile injection production lines. It can support various technical processes and foundry services required for experimental trials and commercial mass production, such as freeze drying, glass bottle (Vials) filling, and pre-filled syringe filling, to assist customers in biopharmaceutical development and commercial product mass production.

As of the date of publication of the annual report, the Company and its subsidiaries, except for the above-mentioned acquisition of the sterile injection plant and the purchase of business equipment by its subsidiaries, are not subject to this assessment.

IX. Risks Relating to and Response to Excessive Concentration of Purchasing Sources and Excessive Customer Concentration

(1) Sales

The company and its subsidiaries' main customers in the most recent fiscal year were E Company, a major pharmaceutical distributor in the United States, accounting for 18.54% of total revenue. No single customer accounted for more than 20% of total sales in the most recent fiscal year, indicating that overall sales are still relatively dispersed.

(2) Purchases

No single supplier accounted for more than 20% of total purchase in the most recent fiscal year, indicating that overall purchase is diverse, risk is limited.

(3) Response Measures

The Company adopts a dual-axis operational strategy, aiming to sustain growth in both global pharmaceutical contract manufacturing and sales. Through different operational models, we mitigate the risk of concentration on a single customer/supplier or product in our sales and purchases. Additionally, we implement other relevant measures, including the continuous development of proprietary drug licenses, proactive expansion into new product lines of health and wellness products, increasing the representation of products and sales channels, and fostering stable and positive partnerships with upstream and downstream manufacturers.

X. Impacts and Risks Arising from Major Exchange or Transfer of Shares by Directors, Supervisors, or Shareholders with Over 10 Percent of Stake in the Company and Countermeasures

For the most recent year and up to the date of publication of the annual report, there has been no significant transfer or change of shares of the Company's directors, supervisors or major shareholders holding more than 10 percent of the shares.

XI. Impact, Risk, and Response Measures Related to Any Change in the Administrative Authority Towards the Company's Operations

For the most recent year and as of the date of the annual report, there was no change in the Company's operating team that would have resulted in a material impact on the Company.

XII. In terms of litigation or non-litigation matters, the company and the company's directors, Supervisors, president, actual responsible person, shareholders holding more than 10% of the company shares, and a subsidiary company who is involved in a major lawsuit that has either been decided or is still pending whereby the results of the case may have a significant impact to shareholder interests or market prices of securities, must be specified. The status of the disputed facts, bid amount, litigation commencement date, and the primary parties involved in such litigations up to the publication date of this annual report shall be disclosed.

(1) The Company should disclose any litigation, non-litigation, or administrative disputes that have been decided or are currently pending as of the date of the annual report, and whose outcomes may have a significant impact on shareholder equity or securities prices. This disclosure should include the disputed facts, the amount involved, the date the litigation commenced, the main parties involved in the litigation, and the current status of the proceedings.

Litigation case involving Bora Pharmaceuticals Co., Ltd.

A. On April 23, 2018, the Company signed a supplementary agreement to the manufacturing contract with Fanoya Biotechnology Co., Ltd. (hereinafter referred to as "Fanoya") to stipulate that if the drugs produced by the Company as commissioned by Fanoya involve intellectual property rights litigation, Formosa should compensate the Company for the legal expenses incurred for this. In 2018, the Company and Ford jointly received a lawsuit from KilSci Corporation for infringement of patents. Although the 3 parties reached a settlement in October 2019, the Company has spent more than NT$ 590,000 in legal fees for this case. After deducting the guarantee of NT$ 240,000 from the amount of NT$ 240,000 previously provided by Fanoya, the Company still had an insufficient amount of NT$ 374,501. Fanoya failed to pay for this case, and Fanoya also defaulted on the Company's OEM fee of NT$ 220,000 in October 2022. As of now, the Company has not yet paid for this case. Therefore, the Company filed a lawsuit in the Taipei District Court for the claim of the legal fees and goods for the case. The case is still pending.

B. In November 2023, our company applied to the State Intellectual Property Office of China (hereinafter referred to as the "IPA") for registration of the trademark "Numient" (hereinafter referred to as the "Disputed Trademark"). The IPA rejected the application for review in October 2024. Consequently, on November 27, 2024, our company filed an administrative lawsuit against the IPA in the Beijing Intellectual Property Court,

requesting the revocation of the rejection decision and an order for the IPA to make a new decision. On April 22, 2025, the Beijing Intellectual Property Court ruled in favor of our company. Based on the judgment, the IPA re-approved the disposal of the Disputed Trademark, and our company obtained registration of the Disputed Trademark in September 2025. The aforementioned matters will not have a significant impact on our Company's finances or business.

C. The Company's trademark "Const-K" (hereinafter referred to as the "Disputed Trademark") was opposed by Uni-President Enterprises Corporation (hereinafter referred to as "Cosmed") with the Intellectual Property Office of the Ministry of Economic Affairs (hereinafter referred to as the "Intellectual Property Office") on the grounds that the Disputed Trademark violated Article 30, Paragraph 1, Subparagraphs 10 and 11 of the Trademark Act. The Intellectual Property Office ruled that the Disputed Trademark should be revoked, and subsequent appeals to the Ministry of Economic Affairs were also rejected. Our company then filed an administrative lawsuit with the Intellectual Property and Commercial Court (hereinafter referred to as the " Intellectual Property Court ") in May 2025, which was dismissed by the Intellectual Property Court in November of the same year. However, our company has already completed changes to the packaging and name of the products involved in the Disputed Trademark, and the aforementioned matters will not have a significant impact on our company's finances or business.

D. Hoan Pharmaceuticals Ltd. has filed a lawsuit against the company and its chairman Sheng Pao-Shi and others for infringement damages, citing disputes over drug expiration dates and drug distribution contracts. The case is currently being heard by the Commercial Court of the Intellectual Property and Commercial Court.

E. In the Dexilant (Dexlansoprazole) Antitrust Litigation case, comprising nine lawsuits consolidated under No. 3:25-cv-02785 (N.D. Cal., hereinafter referred to as the "Dexilant Antitrust Case"), Walgreen Co., The Kroger Co., Albertsons Companies, Inc., H-E-B, L.P., and Supervalu, Inc. (collectively, the "Plaintiffs") filed in the United States District Court for the Northern District of California against: Takeda Pharmaceutical Company Limited, Takeda Pharmaceuticals U.S.A., Inc., and Takeda Pharmaceuticals America, Inc. (collectively, "Takeda"), TWi Pharmaceuticals, Inc., and TWi Pharmaceuticals USA, Inc. (collectively, "TWi"), Bora Pharmaceuticals Co., Ltd., and Upsher-Smith Laboratories. USL LLC (hereinafter referred to as "USL") (the former defendant, collectively referred to as "the Defendants") filed this lawsuit. The plaintiff alleges that Takeda and Bora entered into a reverse payment agreement (hereinafter referred to as "the Agreement") in 2015, under which Takeda paid $9.5 million in cash and granted Bora an option to exclusively market the generic drug as a generic. In return, Bora agreed to delay the market entry of the Dexilant generic drug, thus delaying competition for the generic drug by at least 18 months, thereby maintaining Takeda's oligopoly on Dexilant and driving up prices. The plaintiff further points out that Takeda granted Bora a monopoly in the sale of the generic drug and promised not to compete with Pauling after its market entry. Under the Agreement, Pauling entered the market in January 2022 and enjoyed a monopoly on the generic drug for nearly a year. Bora joined the agreement because it acquired Bora in October 2022 and was aware of and supported such monopolistic practices; USL joined the agreement after being acquired by Pauli in April 2024 and subsequently merged into USL. The plaintiffs argue that without this agreement, other generic drugs could have entered the market, drug prices would have dropped significantly, and the defendants' actions had a restrictive effect on competition, causing the plaintiffs to suffer excessively high drug prices from 2020 to 2022 and thereafter, violating Sections 1 and 2 of the Sherman Act and Section 4 of the Clayton Act. However, some of the plaintiffs, namely the end payer plaintiffs such as Sergeants Benevolent Association Health & Welfare Fund (hereinafter collectively referred to as the "withdrawing plaintiffs"), signed a tolling agreement with the defendant on January 28, 2016. This agreement stipulated that the statute of limitations for the withdrawing plaintiffs would be suspended until January 28, 2017. The withdrawing plaintiffs were required to notify the court of their withdrawal of the lawsuit within two business days of signing the agreement, and the relevant court ruled to record the withd rawal on January 28, 2016. As for the remaining plaintiffs (hereinafter collectively referred to as the "remaining plaintiffs"), the lawsuits against Pauli and USL have been dismissed by the court, while the lawsuits against Pauli by the remaining plaintiffs are still pending.

Litigation case involving Bora Pharmaceuticals Ophthalmic

The lawsuit between Bora Pharmaceuticals Ophthalmic (hereinafter referred to as Jingde Company) and KGI Life Insurance Co., Ltd. (hereinafter referred to as KGI Company) (hereinafter referred to as the KGI Litigation) and the subsequent lawsuit between Bora Pharmaceuticals Ophthalmic and Yun Cheng Investment Corporation (hereinafter referred to as the Yuncheng Litigation):

A. Dispute over the Determination of Repurchase Price of Dissenting Shares (Original Case No.: 2017 Administrative Case No. 548): In order to enhance competitiveness and operational performance, as well as to focus on developing core businesses, Bora Pharmaceuticals Ophthalmic adjusted its organizational operations by separating its real estate development and related investment businesses. As of September 28, 2017, a new company, Yuncheng Investment Co., Ltd. (hereinafter referred to as "Yuncheng Company"), was established separately. Bora Pharmaceuticals Ophthalmic is focused on the business of pharmaceutical research, production, and sales. During the aforementioned operational split, one of the shareholders, KGI Company, objected to the split and requested Bora Pharmaceuticals Ophthalmic to repurchase its shares in Bora Pharmaceuticals Ophthalmic (accounting for approximately 4.98% of the total shares of Jinde at the time, totaling 3,493,500 shares). In accordance with Article 12, Paragraph 6 of the Company Merger Act, Bora Pharmaceuticals Ophthalmic filed a petition for price determination with the Taipei District Court on October 3, 2017 (Administrative Case No. 548 of 2017). The first-instance ruling in this case was issued by the Taipei District Court on August 6, 2020, determining that the acquisition price should be NT$ 34.6 per share. Bora Pharmaceuticals Ophthalmic disagreed with this ruling and filed an appeal on August 19, 2020 (Appeal Case No. 437 of 2020). The Taipei District Court rejected the appeal on July 30, 2021. Subsequently, Bora Pharmaceuticals Ophthalmic filed a second appeal on August 13, 2021, and the case was transferred to the Taiwan High Court on September 3, 2023 (Non-Appeal Case No. 98 of 2021). The case was dismissed by the Taiwan High Court on February 14, 2022, and remanded to the Taipei District Court for proper handling (Non-Appeal Case No. 1 of 2022). The Taipei District Court ruled to revoke its original decision dated August 6, 2020, on December 9, 2022. Bora Pharmaceuticals Ophthalmic filed another appeal on December 23, 2022, but it was rejected by the Taiwan High Court on July 31, 2023 (Non-Appeal Case No. 19 of 2023).

B. Joint Payment of Repurchase Price for Dissenting Shares Case (Civil Case No. 294 of 2020): Following the above, on December 12, 2019, China Life Company applied to the Taipei District Court for mediation in the joint payment of repurchase price for dissenting shares with Bora Pharmaceuticals Ophthalmic and the newly established Yuncheng Company. However, the parties failed to reach a settlement agreement. Therefore, on March 12, 2020, KGI Company filed a lawsuit against Bora Pharmaceuticals Ophthalmic and Yuncheng Company in the Taipei District Court (Civil Case No. 294 of 2020) regarding the joint payment of the repurchase price for dissenting shares. KGI Company claimed the repurchase price to be NT$ 120,875,100 (based on NT$ 34.6 per share and a total of 3,493,500 shares) plus statutory interest calculated from July 6, 2017. The Taipei District Court ruled in the first instance that Bora Pharmaceuticals Ophthalmic should repurchase the shares from China Life Company according to the price claimed by KGI Company. Bora Pharmaceuticals Ophthalmic appealed on December 18, 2023. Since May 14, 2024, Bora Pharmaceuticals Ophthalmic, Yuncheng Company and KGI Company have agreed to conduct mediation and reached a mediation agreement on November 12, 2024, whereby Bora Pharmaceuticals Ophthalmic Company will pay KGI Company NT$130,000,000. KGI Company also acknowledges that since September 28, 2017, the base date for the split of Bora Pharmaceuticals Ophthalmic, it shall not exercise any rights with respect to the shares of Yuncheng Company and Bora Pharmaceuticals Ophthalmic after the split. The share of the joint and several liabilities between Bora Pharmaceuticals Ophthalmic and Yuncheng Company, and the shares of Yuncheng Company currently registered under the name of KGI Company, shall be resolved separately by Yuncheng Company and Bora Pharmaceuticals Ophthalmic.

C. Case concerning the internal sharing of the purchase price of dissenting shares (Re-appeal No. 100, 2025): As mentioned above, Bora Pharmaceuticals Ophthalmic and the mediation record of the case of paying the purchase price of the dissenting shares in accordance with joint and several payment, in December 2024, alone paid the full purchase price of the dissenting shares to KGI Company, and then in January 2015, filed a lawsuit with the Taipei District Court of Taiwan, with Yuncheng Company as the defendant, requesting Yuncheng Company to pay the share of 108,446,000 yuan and interest from the time of exemption, and claiming that Yuncheng Company should bear joint and several liability with Bora Pharmaceuticals Ophthalmic for the debt of paying the purchase price of the dissenting shareholders' shares before the division. The case is currently under trial.

D. Registration of share change of Yuncheng Company: As mentioned above, Bora Pharmaceuticals Ophthalmic has already paid the full amount of the purchase price of the objected shares to KGI Company in accordance with the mediation record of the joint payment of the purchase price of the objected shares. Therefore, in December 2014, it filed a lawsuit with the Taipei District Court of Taiwan, requesting Yuncheng Company to change the shares held by KGI Company on its shareholder list to those owned by Bora Pharmaceuticals Ophthalmic. The case is still under trial.

E. As mentioned above, although the parties to the KGI lawsuit have reached a settlement, and the Yuncheng lawsuit is still under trial .in the above cases between Bora Pharmaceuticals Ophthalmicand KGI Company, if the court determines the repurchase obligation of the dissenting shares, according to the share purchase and sale agreement between Protect Pharmaceuticals and TWi Pharmaceuticals, the selling party of the share purchase and sale agreement will pay the amount to acquire the shares held by China Life Company in Bora Pharmaceuticals Ophthalmicand Yuncheng Company. The acquired shares of Bora Pharmaceuticals Ophthalmic will be transferred to Protect Pharmaceuticals at a price of NT$ 12.69 per share, and all related

expenses and liabilities, such as reasonable attorney's fees and interest incurred by TWi Pharmaceuticals or Bora Pharmaceuticals Ophthalmic in this case, will be borne by the selling party. Therefore, regardless of the outcome, it will not have a significant impact on the financial or business of the Company.

Litigation case involving SunWay Biotech Co., Ltd.
Due to the appearance of counterfeit versions of our " Niangjia Dahongqu " yeast on the market, our company, together with Formosa TV (FTV), filed a lawsuit with the Taoyuan District Prosecutors Office in Taiwan in 2024. The Taoyuan District Prosecutors Office indicted us in December 2024. The case is currently still under review.

Litigation case involving TWi Pharmaceuticals and its US subsidiary

A. On June 14, 2024, Merck KGaA, Merck Serono SA and Ares Trading SA (collectively referred to as Merck) filed a lawsuit in the United States District Court for the District of Delaware against TWi Pharmaceuticals, Inc. and its US subsidiaries (collectively referred to as TWi Pharmaceuticals). The lawsuit alleges that TWi Pharmaceuticals filed an application with the U.S. Food and Drug Administration (FDA) seeking approval to manufacture and sell a generic version of Merck's MAVENCLAD product, infringing Merck's U.S. patents Nos. 7,713,947 and 8,377,903. On August 6, 2024, TWi Pharmaceuticals submitted a reply and filed a counterclaim, requesting the court to make a ruling of invalidity and non-infringement of the disputed patent claimed by Merck.

B. For details regarding the Dexilant antitrust case, please refer to "Litigation Cases of Bora Pharmaceutical Co., Ltd."

Litigation case involving Upsher-Smith Laboratories, LLC (USL):

A. In re Generic Pharmaceuticals Pricing Antitrust Litigation, No. 2:16-md-02724-CMR (E.D. Pa.)
In 2016, multiple plaintiffs filed civil lawsuits against USL and numerous other generic drug manufacturers and individuals, alleging that USL and the other defendants violated antitrust laws by conspiring to fix prices and allocate customers for certain generic drugs. The case is currently in the U.S. District Court for the Eastern District of Pennsylvania, and discovery is ongoing. The court decided on the next phase of bellwether trials in October 2024, one of which involved USL as a defendant.

B. Kathryn Eaton v Teva Canada Limited, et al. (Court File No. T-607-20)
Several plaintiffs filed civil lawsuits in Canada against USL and numerous other generic drug manufacturers, alleging that the defendants violated the Competition Act by conspiring to allocate the market to manipulate the prices of generic drugs in North America, causing harm to Canadian purchasers. A class action certification hearing is expected to take place in October 2025.

C. Connecticut v. Teva Pharmaceuticals USA, Inc. et. al., No. 3:19-cv-00710-MPS (D. Conn.)
On May 10, 2019, attorneys general from multiple states and some territories in the United States filed a civil lawsuit against USL and 34 other generic drug manufacturers and individuals in the United States District Court for the District of Connecticut, claiming that USL and other defendants violated antitrust laws by conspiring to manipulate drug prices and allocate customers. On June 4, 2019, the case was transferred to the United States District Court for the Eastern District of Pennsylvania. On April 19, 2024, the case was transferred back to the United States District Court for the State of Connecticut for continued pretrial proceedings. In November 2024, the court allowed California to bring new antitrust-related claims against all defendants (including USL), and the defendants, including USL, filed a motion with the court in December 2024 to dismiss the additional claims. The discovery of facts and evidence in this case is expected to be completed in April 2025. USL anticipates that the relevant deadlines for subsequent proceedings for the case will begin in 2027.

D. Tishman v. USL, et al.
In September 2021, a Wisconsin resident (hereinafter referred to as the plaintiff) filed a lawsuit in the New Jersey Supreme Court of the United States, claiming that the powdered products produced by several defendants, including USL, contained asbestos, causing him to develop mesothelioma after exposure. The plaintiff died in 2022, and the case is currently under trial.

E. USL v. Xiamen
In February 2023, USL filed a patent infringement lawsuit against Xiamen LP Pharmaceutical Co., Ltd. (hereinafter referred to as Xiamen), claiming that the products in the simplified new drug application No. 215638 filed by Xiamen infringed USL's patents. USL reached a settlement with Xiamen in July 2024 and withdrew the lawsuit.

F. USL v. AMTA Labs Limited
In January 2024, USL filed a patent infringement lawsuit against AMTA Labs Ltd. (hereinafter referred to as AMTA), claiming that the products in AMTA's Abbreviated New Drug Application No. 218695 infringed USL's patents. USL reached a settlement with AMTA in July 2024 and withdrew the lawsuit

G. USL v. Zydus Pharmaceuticals (USA) Inc.
Zydus Pharmaceuticals (USA) Inc. (hereinafter referred to as Zydus) is the first filing entity (filer) of the generic drug application (ANDA) for Qudexy® XR under USL. USL filed a lawsuit against Zydus pursuant to the Hatch-Waxman Act, and the 2 parties subsequently signed a settlement and authorization agreement to settle the lawsuit. The agreement stipulated that Zydus, as the first registrant of the generic drug in question, would enjoy an exclusive 180-day sales period. However, Zydus subsequently gave up the exclusive sales period ahead of schedule. USL claimed that Zydus's behavior violated the settlement and licensing agreement between the 2 parties and filed a lawsuit against Zydus. USL reached a settlement with Zydus and withdrew the lawsuit in August 2024. The aforementioned matters will not have a significant impact on the financial operations of the Company.

H. USL v. ChRi Laboratories, Inc.
ChRi Laboratories, Inc. (hereinafter referred to as ChRi) claimed that it had signed a Statement of Work (hereinafter referred to as SOW) with USL, and that USL had not paid a sum of US$233,069 in accordance with the SOW. However, USL claimed that it had not signed the SOW with ChRi Lab and therefore had no obligation to pay the amount. ChRi filed a lawsuit against USL in the U.S. District Court for Hennepin County, Minnesota, in January 2025, claiming that USL should pay the amount. The case is currently under trial.

In summary, although the Company is involved in the above-mentioned pending lawsuits, the amounts involved in these cases do not have a significant impact on Protect Pharmaceuticals' shareholders' equity or securities prices.

(2) Directors, Supervisors, General Managers, Actual Responsible Persons, Major Shareholders holding more than 10 percent of the shares, and subsidiary companies have not been involved in any lawsuits, non-litigation disputes, or administrative litigations that have been finally adjudicated or are currently pending in the past 2 years or up to the date of this annual report, the outcomes of which may have a significant impact on the shareholders' equity or securities prices of the Company: None

(3) Directors, Supervisors, Managers, and Major Shareholders holding more than 10 percent of the shares have not been involved in any circumstances as stipulated in Article 157 of the Securities and Exchange Act in the past 2 years or up to the date of this annual report: None

XIII. Other Significant Risks and Response Measures: None.

VII. Other Critical Matters: None

Chapter F.
Special Notes

I. Profiles of Subsidiaries:

The Company has reported related-party information in the Market Observation Post System, please refer to the details. https://mopsov.twse.com.tw/mops/web/index

II. Private Placement of Securities in the Recent Year and up to the Date of the Annual Report:

There have been no private placements of securities conducted by the Company during the recent year and up to the date of the annual report.

III. Other necessary supplemental information:

None.

Chapter G.

Matters that have a significant effect on shareholders' equity or the price of securities under Paragraph 2 of Article 36 of the Securities and Exchange Act, for the most recent year and as of the date of printing of the annual report:

Significant Events Impacting Shareholders' Equity or Securities Prices in 2023 and up to the Date of the Annual Report:
None.

Bora Pharmaceuticals

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